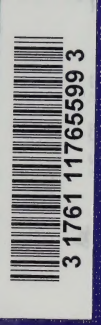

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Income Security for Subsistence Hunters

A review of the first five years of operation of the Income Security Programme for Cree Hunters and Trappers

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(On peut également obtenir une version française du même texte)

PREFACE

When this project was initiated, the object was to produce a concise report on the first five years of operation of the Cree Income Security Programme which could be read as a follow up to our earlier report on the same programme (La Rusic 1978). However, when, after the community visits and interviews were finished, I presented the initial findings to a seminar of DINA officials in Ottawa, it became clear that while this broad cross-section of Department officials were aware of the existence of the programme, most were unfamiliar with the details of the programme structure and of the rationale for its establishment. Much of that presentation had to deal with material from the 1978 study.

Following that seminar, the Research Branch suggested that instead of simply referring readers back to the 1978 study for basic background information, that the relevant parts be incorporated in the present text. Accordingly, I have edited the earlier report and included it as the first five sections of this study. These sections are substantially the same as the material presented in 1978. While I have rewritten two of the sections (The Economic Importance of Subsistence and The Subsidization of Subsistence), the data are the same and the basic argument is unchanged; the presentation, I hope, is improved. Readers who are familiar with the 1978 report will be able to ignore these first 66 pages and focus on the new material which makes up the last half of this text.

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Introduction

When Mr. Justice Albert Malouf delivered his surprise judgement in favour of the native people of northern Québec, who had petitioned him to grant an interlocutory injunction against the agencies developing the James Bay hydro-electric project, the multi-billion dollar construction works actually ground to a halt. Within a week a Superior appeal court had quashed the decision and the Québec government proposed a out-of-court settlement with the Indians and Inuit based on an eleven point Agreement-in-Principle: a guaranteed annual income programme for the hunters was one of the considerations offered. The Cree and the Inuit stayed their appeals to higher courts and organized the negotiating teams which hammered out the details of the James Bay and Northern Québec Agreement, finally signed some two years later on November 11, 1975. Section 30 of that agreement elaborates the original offer of a guaranteed annual income under the title: "Income Security Programme for Cree Hunters and Trappers". The Inuit opted for a quite different plan to support village hunters. Their case is not discussed in this report which reviews the first five years of the Cree experience.

In negotiations between the Cree and government to arrive at the James Bay Agreement, accommodations and provisions had to be made for two categories of Cree. Roughly divided, we can speak of one group which was oriented toward a future with employment in service or business. This group would face the same general constraints as a normal regional work force, risking redundancy or obsolescence while hoping for prosperity and satisfaction, as the rhythm of the world

economy reverberated on the edges of the local economies. A second group, would be more oriented to tradition, toward life on the land - a life which they could not leave without great psychic cost and suffering, although they faced constraints which had made that life of subsistence gradually more tenuous in the last quarter century. At the beginning of the negotiations leading up to the Agreement, the government side viewed this second group of Cree as an unproductive obsolete sector, a remnant of an historic economy which no longer had any validity or viability, yet which, at a certain cost, might be shored up to ease the pain of transition to a modern world. While it is probable that one would still find a considerable number who would hold such a view, there has been an important shift in recent years in understanding the role which the subsistence sector has played, and is still playing, in the local Cree economy.

The Agreement in its final form has several sections dealing with support of subsistence on the land. Certain lands were reserved for exclusive Cree use as hunting territories, special access to certain animals is guaranteed and provision is made for remedial works.[1] Such provisions provided the objective conditions for maintenance of the bush life, for in a certain sense they guaranteed for the future that which simple isolation had assured Cree hunters in the past. However, for the Cree it would have been a hollow victory to have won such concessions if the hunters were prevented by poverty from

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1. A summary of the principal provisions of the James Bay Agreement which relate to the Cree is available in the Appendix to "Negotiating a Way of Life", a study done for Indian and Northern Affairs by the author of the present study (La Rusic 1979)

exercising these new privileges. We shall review the history of Cree subsistence life to show that although it was under considerable pressure for at least a quarter century, it was making important contributions to the local economy. From that discussion it will be clearer just what it was that the Cree were preserving and the role that a guaranteed annual income plays in that endeavour. Our purpose is to underscore that the Cree Income Security Programme is not simply a sort of welfare scheme tacked on to the final Agreement. We hold that it is an integral part of an overall approach which includes matters of land categories, animal access and environmental protection.

We think that it is important to make this distinction from welfare programmes at the beginning of the study, for notwithstanding many similarities in operation to welfare or social aid, the essential aspect of the Income Security Programme for Cree hunters and trappers (ISP) is that it is a programme for Cree hunters and trappers who pursue subsistence activities as a way of life, guaranteeing them a measure of economic security. It is not a universal program for all Cree. For an individual, it is permanent only so long as the eligibility criteria are met. In practice, it is a programme which benfits only about half the Cree families in the James Bay region.

Perhaps a good analogy would be to suggest that the ISP resembles veterans' programmes in the sense that both are established to provide special privileges for people meeting specific eligibility criteria. On the surface, certain aspects mimic welfare phenomena; more profoundly,

there is a feature of "quid pro quo". Veterans' privileges derive from participation in theatres of war; Cree privilege is rooted in a settlement of aboriginal land claims and rights.

On consideration, many aspects of the James Bay Agreement would benefit only in a limited way the large number of Cree people who continue to follow hunting and trapping as a way of life. In fact, some provisions concerning economic development could have a tendency to pull people away from traditional pursuits, pursuits which on close analysis make an important contribution to the overall balance of the Cree economy, to say nothing of the cultural quality of life. We view the ISP as a significant experiment to support the subsistence activities of northern hunters whose contribution to local economies has long been underestimated.

The Economic Importance of Subsistence

It would be extravagant to argue that the Cree sought a guaranteed annual income for the support of the fur industry, which was, when the Agreement was being negotiated in 1974, a very poor dollar earner in terms of pelt sales. In that year the average annual income from fur sales was less than $500.00 per hunter (not per-capita). It would be farfetched to hold that people would have sought to shore up an industry which involved a rather strenuous life-style, simply for the value which the fur sales added to total annual income. Cree income was in any case made up in large part of transfer payments. A small family could not hope to have its total income increased from the trapping industry by more than the amount they were receiving in Family Allowance payments. However a security plan to support bush life was another matter. When considered as a totality bush life, - not to be confused with fur trapping, which forms an important part of that life style - is not only an important part of the Cree cultural tradition (a claim which is generally accepted as a truism), but a very important sector of the Cree economy. It was the economy of bush subsistence that the Income Security Programme for Cree Hunters and Trappers was established to support. That subsistence economy must be outlined in some detail because it is significant background information to any serious discussion of the effects of the Income Security Programme.

In 1974, about half the Cree families left each autumn to spend considerable time on the land (from 3 to 8 months in total) where they would live by hunting and trapping. People went on their traditional

hunting territories, far from the villages, often one to two hundred miles distant. There they survived most years in relative plenty from the food production of the land - beaver, moose, fish, waterfowl, etc. The costs of the excursions had been covered by revenue from the sale of furs. In essence then, there were two separate symbiotic economies involved in Cree life on the land. The economy of subsistence is involved with the production of food; the economy of trapping, with the production of furs for sale. Both utilized the same land resources. Too, the trading exchanges involved in the trapping economy introduced a wide selection of goods from the industrial world into the context of the bush life, the majority of which were equally useful in sustaining both the subsistence and the trapping economies at perhaps even higher and more secure level. The Cree thus utilized a select number of items from the material culture of industrial society to improve their chances of survival in the environment of the bush in northern Québec. For these items they exchanged furs, the only product they could produce in the region with the level of technology they possessed.

Continued participation in the trapping economy can be looked upon as an important means of sustaining and developing some of the fundamental aspects of the aboriginal culture, especially its dependence upon the subsistence economy. Thus the hunting culture, the subsistence economy of the Cree, was maintained in a somewhat modified form and could flourish as long as the exchange of furs could be maintained. Following the decline of the fur markets and a disastrous drop in the beaver populations in the Cree area in the 1930's and 1940's, trapping income diminished gradually until it no longer was

equivalent to the value of the items required from the industrial society. The Cree had to begin interacting with the dominant society on different terms; no longer were they 'autonomous'. From that moment involvement in the bush life depended on wage labour or welfare rations to supplement the subsistence economy which was the main sustenance of the majority of Cree families for about nine months of the year.

Initially, perhaps until the mid-1950's, special welfare payments - in cash or kind - from Indian Affairs were sufficient to maintain the subsistence economy although at a precarious level. The situation was alleviated only when economic and industrial development in the surrounding region created a demand for labourers during the summer months. Part of this wage labour was generated by Indian Affairs construction programmes or special commercial fisheries projects. From this point there were in fact three economies in the Cree area - the subsistence economy, the trapping economy and the wage labour economy. Of the latter two, the trapping economy was certainly the weaker in terms of the dollar value of income produced. The importance of wage labour in the period from WW II to about 1970 has been discussed in detail in the work of the McGill-Cree Project (La Rusic 1968a 1968b; Chance 1968). One can summarize the role of wage labour by stating that, in general, summer employment provided the cash flow needed by hunters to invest in the material goods required to go the bush to exploit the subsistence economy in the winter months. That this was a difficult and precarious situation would be indicated by the fact that in the early 1950's perhaps about 90% of the families in the Cree area would have made the annual excursion to their hunting territories; by

1974 this percentage had eroded to about 50%. This decline was not so much because people did not want to go to go to the bush but because they were not able to afford it. Hunters began to abondon the more distant - and much more expensive to exploit - hunting territories altogether, or else to utilize them only every few years, on occasions when they could make a substantial animal kill.

It should be noted, of course, that the cash requirements to go the the bush have increased not only as a function of inflation over the years, but also in terms of the level of material goods the Cree were taking with them. Although there was an overall increase in the amount of foodstuffs taken to the bush to reduce the risk involved in the event of a poor hunting season, the larger increases were in items such as canoes and outboard motors, gasoline and, more recently, skidoos, as well as the necessary commercial air-charter needed to transport these heavy items to the hunting territory. By the 1970's the largest single expenditure by the Cree hunting group would have been air transportation. As a result, by the early 1970's practically all disposable cash of Cree hunters was used to acquire the goods and services needed to made the excursion to the bush to become involved in the highly productive subsistence economy.

This 'non-economic' annual excursion to the bush was most certainly poorly understood by some researchers in the Cree area prior to the detailed investigations carried out in the context of the James Bay court case. Even the McGill-Cree Project (of which the author was a member in the late 1960's) treated the phenomenon as a sort of

cultural imperative at best, for the value of bush food set considered primarily in terms of its cultural importance. Subsistence activities were viewed not as a viable economic activity but as it was something to be supported in the context of cultural continuity. It was not until the later work of those involved in the impact studies of the James Bay Project (Salisbury et al. 1972), that food production of the hunting group was closely considered. It was the careful evaluation of the numbers and weights of the animals killed, of the nutritional and caloric value of the meat that focussed attention on the economic importance of subsistence. 'Harvesting' activities, as they termed it, produced an impressive amount of food of high quality which was widely dispersed throughout the region. It was not easily (and certainly not economically) replaced in terms of quality or nutrition by imported of commercial foodstuffs. In short, whites began to appreciate what the Indians of the region had long recognized: it was not possible to purchase foodstuffs from local stores on Indian reserves or in northern communities with the cash available from transfer payments or welfare benefits received by the people. Nor, to a lesser extent, was it possible to survive well on the income from wage labour, because nutritionally adequate foods were in short supply and above all, very expensive. One needed to depend upon the animals of the region for high quality protein. To put it another way, one needed to convert welfare payments, and even wages, to the means of production one needed to kill the animals for food.

In the 1978 study of the Cree Income Security Programme (La Rusic 1978), this same point is made at some length and the data produced to

sustain the argument. That need not be repeated here; one need only reiterate that when the Cree were negotiating the terms of the James Bay Agreement, they were aware that about two million pounds of high quality protein was being produced in the subsistence economy of their region (1978:9). They knew that this production was being eroded because people were less able to afford to exploit it. If the situation were to continue the diet would degenerate as people were forced to switch to low quality and limited store foods, a situation which would have ramifications on the health of the people. Moreover, they knew that if people were unable to go out on the land, there would be a range of social problems in the villages where there were few possibilities of employment. The subsistence economy represented an important resource which needed to be exploited - even if the cash costs of subsidising it were significant. The question was how best to rationalize the subsidy.

It was the studies by the James Bay and Northern Quebec Native Harvesting Research Committee that provided some precise evaluations of the amount of food being produced on the land. Two tables from their reports (NHR 1976:359, 1978:211-212) are produced here as Tables 1 and 2 to show the distribution of this food and to provide the basis for estimates of the dollar value of that production.

It is admittedly arbitrary to assign replacement value to bush or country food. In our 1978 report, we used a value of $2.00 per pound for land mammals and waterfowl and $1.50 per pound for fish, sea mammals and small game. On these values, the cash equivalent value of

TABLE 1

A comparison of available food weight from animals taken by Cree hunters in 1974-75 and 1975-76, by species (Weights to nearest 100 pounds)

Group of Species	Available food weight 1974-75	1975-76
Waterfowl	437,300	546,900
Fur mammals	327,300	283,900
Small game	105,500	92,100
Fish	491,800	240,700
Big game	498,200	535,400
Sea mammals	46,500	29,400
All food animals	1,906,600	1,728,400

(Source NHR 1978: 210, Table J-5)

TABLE 2

A comparison of available food weight from animals taken by Cree hunters in 1974-75 and 1975-76, by communities (Weights to nearest 100 pounds)

Community	Available food weight 1974-75	1975-76
Great Whale River	91,500	181,700
Fort George	484,300	408,700
Paint Hills	202,800	136,000
Eastmain	74,700	104,800
Rupert House	115,500	260,400
Mistassini	738,900	481,400
Waswanipi	273,600	155,500
Total all communities	1,906,600	1,728,400

Note: There are no separate data for Nemaska for these years as the community only officially moved in 1979 and animal catches for Nemaska are bulked with Mistassini and Rupert House in these data.

(Source NHR 1978:211, Table J-6)

the subsistence harvest in 1974-75 was $3,632,713.50 (La Rusic 1978:14). (It should be noted that there was an error in the 1978 report; the year 1975-76 is attributed to the harvest of 1974-75. The error, which is consistent in that report, does not however substantially effect the conclusions drawn from the figures.) Our discussions with people involved with monitoring the Cree harvest suggest that current (1981) harvests are not substantially different from those of 1975-76. On that basis, we can assign cash equivalent values to the current harvests, assuming the same distribution of harvests, using replacement values which reflect only the increases in the cost of living in the intervening years. The food index stood at 161.9 in 1975 and rose to 260.6 in 1981 (Statistics Canada 1981:14), a rise of 62%. This gives approximate replacement values for land mammals and waterfowl of $3.25, and for the other game, of $2.44 per pound. Table 3 shows that the current cash equivalent of the subsistence harvest is in the order of five million dollars.

The cost to the Cree hunter to exploit this three and one half or five million dollar bounty was not carefully calculated when the negotiations to establish the Cree programme were in progress. There were some estimates put together on the best available data which were summarized in our earlier version of the study of Income Security (La Rusic 1978:19-22), but even since that time there have been no studies which would significantly improve the estimates which were set out in tabular form as Table 7 of that report. For convenience, that table is reproduced here as Table 4.

TABLE 3

1981 Cash equivalent value of subsistence food harvested by Cree Hunters in 1975-76

Food	Food Weight (pounds)	Price per pound	Equivalent Value
Waterfowl	546,900	$3.25	$1,777,425
Fur mammals	283,900	$3.25	$ 922,675
Small game	92,100	$2.44	$ 224,724
Fish	240,700	$2.44	$ 587,308
Big game	535,400	$3.25	$1,740,050
Sea mammals	29,400	$2.44	$ 71,736
Total	1,728,400		$5,323,918

Variation among the cases is wide, reflecting the distances necessary to travel and above all the amount of major equipment used by the hunter - canoes, outboards etc. The 1975 estimate of about $3,100. does not take into account the amortization on major equipment, not the reality that the people on the land were very undercapitalized at that time. We know that there were about 600 hunters active that year, so the minimal total outlay by the Cree for the 1975 $3.5 million subsistence harvest was approximately $1.8 million. Later in this report we shall discuss the rise in the cost of going to the bush, but in terms of our present discussion we can say that when the Income Security Programme was established, the financial dilemma which faced Cree hunters was that they had to have access to at least $3,000 on average over and above normal household expenses of food, heating and shelter etc. in order to go to the bush. The potential income sources which any type of guaranteed income scheme would have to augment were limited at that time to fur sales, casual wage labour and welfare. In the following section we shall review the possibilities of these sources as they existed in the mid 1970's in the Cree region.

TABLE 4

Costs of hunting, fishing and trapping for full-time hunters
(Estimates for 1975 and 1977)

	Yearly outfit (Traps, tents, ammunition, nets, twine, etc.)	Winter clothing (Parkas, ski-suits, et.)	Transportation	Major equipment	Total cost of hunting
Case 1 Fort George	$ 822.72	$ 704.10 140.82/person	$ 980.00	$ 0	$ 2,506.82
Case 2 Fort George	1,391.88	731.60 146.32/person	980.00	0	3,103.48
Case 3 Mistassini	1,018.34	No data	1,472.05	890.00	3,380.39
Case 4 Mistassini	749.66	No data	943.53	890.00	2,583.19
Case 5 Mistassini	1,026.00	No data	605.40	0	1,631.40
Case 6 Mistassini	659.00	No data	1,144.44	890.00	2,693.44
Case 7 Eastmain	570.69	196.10	194.82	0	961.61
Case 8 Eastmain	547.45	No data	568.85	0	1,116.30
Case 9 Nemiscau	1,078.00	No data	1,218.00	0	2,296.00
Case 10 Rupert House	2,650.00	No data	868.00	3,540.00	7,058.00
Average per case	$1,051.37	$ 543.93	$ 897.51	$ 621.00	$3,113.81
Average cost 1977 (CTA data)	$1,255.34	$ 649.45	$1,048.48	$ 741.47	$3,694.74

Source: Cases - Coon et al. 1975; Average cost 1977 - CTA 1977

The Subsidization of Subsistence

a) Fur Income

For our present purposes there is little to be said of the potential of fur income in the Cree region save that it was grossly inadequate to support the costs of the subsistence economy. The best estimate by the Cree Trappers Association was that Cree hunters received an average of about $763. per hunter for fur in 1977 (CTA 1977). An earlier estimate of $473. for the 1974-75 season (NHR 1976) would be consistent with this figure and it would also be in line with data on fur sales reported to the Cree Income Security Board by the hunters for the year 1979-80 which is discussed later in this report. The recent figure of $1,101 is somewhat higher for it reflects a marked rise in the price of furs in the intervening years which exceed the rise in the cost of living. More precise data might refine the estimates for the earlier period, but it is certain that the average would be in the vicinity of $500., which is the figure we shall use.

Since the costs of going to the bush in the mid-1970's averaged, as we have noted above, at least $3,100., it can be deduced that there was a 'loss' of about $2.600 on the annual excursion which the Cree made to their hunting territories to avail themselves of the subsistence production which was only available there. Wage labour and transfer payments in various forms were the sources of the cash needed to make up the difference. We separate out welfare payments for detailed discussion, treating the special transfer payments such as Manpower grants under the following treatment of the wage economy.

b) The Wage Economy

The early history of Cree involvement in the wage labour economy has been reported in detail elsewhere (McGill-Cree Project reports-Chance 1968, La Rusic 1968a, 1968b) and we shall only review the situation of the late 1960's and early 1970's here. All that needs to be reiterated here on the matter of history is that the Cree have had a long tradition of casual attachment to the summer wage economy, first from the work on transporting supplies for the HBC on the "canoe brigade", and later with the forestry and mining industries which opened up in the region following World War II. Access to new work opportunities was not at all equal throughout the Cree communities. The coastal communities were more remote from the developments in the Abitibi region from which the Mistassini and Waswanipi benefitted in the 1950's and 1960's. Therefore it is difficult to generalize about the region for the past two decades. Nonetheless some estimates of the overall significance of wage economy can be made, and more importantly, some indication can be given of the relative importance of wages and transfer payments in the total cash flow in the communities.

In Table 5 we have summarized the data on cash income from wages as estimated by various people and groups studying the region. For our purposes, the most important materials are those compiled by the McGill group (Salisbury et al. 1972a, 1972b) and the studies made by the Grand Council of the Crees in Fort George (GCCQ 1974; Weinstein 1976). These studies give the best view of the coastal communities. For the inland areas the McGill-Cree study has compiled data on Waswanipi, Mistassini and Nemiscau. (Now spelled Nemaska).

TABLE 5

Estimates of Cree percapita income as reported in various studies -- 1960-1974

Community	1947-48	1960-61	1962-63	1964-65	1968-69	1970-71	1971-72	1972-73	1973-74
Fort George					$955.[5]		$1,190.[9]	$1,631,[10]	$1,476.[11]
Paint Hills							$695.[9]	$750.[10]	
Eastmain		$207.[2]					$479.[9]	$952.[10]	
Rupert House	$245.[1]	$225.[2]		$176.[4]				625.[10]	
Mistassini			$429.[3]	$341.[4]				$799.[10]	
Waswanipi				$328.[5]	$377.[7]			$301.[10]	
All communities						$340.[8]		$918.[10]	

Sources:

1 - Kerr, cited in Knight 1968
2 - Knight 1968
3 - Williamson 1964
4 - Hawthorn 1966
5 - Samson 1966
6 - Indian Affairs 1970
7 - Feit unpublished
8 - Salisbury et al. 1972 a
9 - Salisbury et al. 1972 b
10 - SDBJ -SEBJ 1974
11 - GCCQ unpublished 1974

All of these studies indicate that except for Fort George, the income from wage employment did not average over $1,000 per-capita per annum as late as 1973. The reason for the low income is not hard to deduce. There was little work, and it was not particularly remunerative. In the Abitibi areas where the Waswanipi and Mistassini were involved with forestry operations, their daily wage averaged only $10.00 (La Rusic 1968b: B40). While some work was available during the winter, most men left in September, doing some guiding for the fall moose season before going to the bush. Problems of getting bush food in work situations militated against a family saving very much after paying the grocery bills. Indian Affairs had put considerable effort into organizing a commercial fishery in the same area, but the net wages were less than $5.00 a day in 1967, although in this situation the people had good access to bush food. The only jobs which were relatively well paying were in mineral exploration and in mining. There was limited work in the former, and the latter required skills that few Cree had.

Within the communities, the only wage labour available (other than work as store clerks) was that generated by the construction projects of Indian Affairs, and few people could expect to find more than two months' work a year in such activities. That situation began to change somewhat in the late 1960's and early 1970's. In the Fort George area, the McGill study team estimated that there was a fourfold increase in wage employment between 1968 and 1972 (Salisbury et al. 1972b:22-23). Much of this was occasioned by the opening of the James Bay Project. In the other communities there was some migration to the James Bay work

sites by some of the younger people, though there were few older people who could participate. Within the communities there were increased activities in community housing projects, which made more seasonal employment available. Too, the introduction of Federal Manpower upgrading courses or participation in Band Work projects provided make-work opportunities for people who would otherwise be welfare recipients. The economic development schemes for the population which were initiated in the 1960's and continued into the 1970's involved commercial fisheries operations near the inland villages and commercial goose hunting camps on the coast. These were small operations; in Waswanipi, for example, the fishery employed fewer than a dozen people in the final year of operation (1970-71), and provided less than an average of 50 days of work for the fishermen.

Manpower courses were quite important, though we have poor data on the amounts actually transferred to the communities through the various upgrading courses. Salisbury et al., in their study of Eastmain, estimated that in 1971-72 Canada Manpower courses provided cash income totalling $40,130 for the period studied, compared with $25,507 generated by wage employment, while welfare and old age pensions totalled $79,442 (1972b:49). While it is questionable whether the courses themselves produced much in the way of usable skills which the people could use to improve their economic situation, the actual cash flow generated by course attendance was of considerable importance, though only marginally useful to hunters since many courses were given in winter.

The increases in the availability of wage labour and Manpower courses encouraged some men to stay away from the bush in the winters in the late 1960's and early 1970's, which was interpreted by some as an indicator of the abandonment of bush life. In fact, what many people were doing was leaving their hunting grounds idle for a few years so that animal populations would recuperate to more productive levels. This strategy was not a new one for the Cree and is described by Tanner (1976) and Feit (1973). The difference in the recent experience is that instead of going off with other families in the bush while their own grounds were recovering, some Cree were staying in the villages subsisting on a combination of casual labour, welfare and variety of Manpower upgrading courses, as well as unemployment insurance the income form which was eked out by occasional sorties to the nearby bush. In effect, the Cree were using these transfer payment systems to rationalize a hunting strategy over the long term. Thus the gradual return to the bush in the winter which could be observed in 1972-75 must be understood not so much in terms of an unavailability of work, but as the expression of a normal hunting strategy of the Cree people. In this sense, the clear statements of the Cree during the James Bay court proceedings to the effect that their long term security was closely tied up with the use of the land make a great deal of sense.

The emphasis on the nature of the hunting economy has been made at such length because it is fundamental to an understanding of shifts to the wage economy by Cree hunters. For the Cree, the subsistence activity was never "dead", nor did it need "modernizing" to

maximize the fur income to make the venture economically viable, sentiments which were frequently voiced by development officials of Indian Affairs. Wage labour was important to hunters in that it helped generate cash needed to go to the bush. The bush primarily provided a high level of subsistence.

At the same time, it is necessary to note that there were significant changes taking place in the Cree communities in the late 1960's and early 1970's. An important number of school drop-outs and graduates were returning to the community. Many of these lacked bush skills, others had little inclination to return with the older siblings or parents to go through the arduous apprenticeship needed to become a competent hunter. For these there was a greater dependence on casual and full-time employment. It is to this group that recent increases in attachments to the wage labour force can be primarily attributed, especially in the winter. The Cree harvesters continued to do pretty much as they always had.

In summary, wage labour as it existed in the decade 1965-1975 was limited, short term, low paying and notoriously unreliable. The involvement of Crees in higher paying jobs - for example in mineral exploration, mining or the James Bay Project - primarily relates to younger Cree who were starting to return to the communities in that decade, following their termination of schooling at whatever level. Even this group had to depend on unemployment insurance or welfare to survive in frequent periods when work was not available. For the people involved in bush life, wages earned from casual employment

provided an important cash flow needed to subsidize their subsistence activities in the bush, though rarely enough, and welfare payments were regularly needed to make up the shortfall.

The comparative importance of wages and welfare will be treated in the following section, but in anticipation of that discussion, we can say that wages provided less than 20% of the cash flow in most communities. The remainder came from Manpower courses, pensions and welfare. Welfare was providing about 40% of the cash flow in Eastmain in 1971-72 (Salisbury et al, 1972B:40), and about 20% in Paint Hills (Ibid:55). Manpower courses in the two communities provided 20% and 35% respectively, indicating that Manpower course income and welfare combined provided between 55% and 60% of the cash flow. This situation was probably typical of most of the Cree communities until 1975.

c) Welfare

It is difficult to be precise in calculating the amount of welfare payments which were received by the communities in the period prior to 1975. Although some statistics are available for these years, they are difficult to interpret. In the first place welfare comes from both the federal and Québec governments. On the federal side, reconstructions are relatively easy because welfare is provided exclusively to status Indians. With the Québec lists, though, payments are bulked with those to whites in the region. Thus in Waswanipi, for example, it is impossible (without extensive fieldwork and interviewing local welfare officials) to know if a percentage of, say, the Chapais or Chibougamau

payments includes Indians. We do know that some Indians have been receiving Québec Social Aid on and off for a number of years in these towns. To add to the difficulty, it was during this period that the services of Québec Social Aid programmes were extended to the coastal communities where they gradually supplanted the federal Indian Affairs Band Aid scheme. There was no possibility of consulting raw data from this source for the years prior to 1975, so secondary sources were used (principally the evidence on this subject presented before the James Bay court hearings), but with the difficulties inherent in melding data from primary and secondary sources compounded by the fact that they come from two levels of government.

We have summarized the best available data in Table 6, which if not as precise as those we would have liked to use, nonetheless are accurate enough to establish with some confidence the levels of welfare income flowing into the Cree communities prior to the signing of the James Bay Agreement and, for our purposes, before the establishment of the Income Security Programme.

Between 1971 to 1975 there was a dramatic threefold increase in the dollar value of the welfare coming into the Cree communities. Very little, we think, of this increase is accounted for by increased case load, which seems to have been more or less constant in the previous years. Part of the increase seems to be accounted for by the fact that the coastal communities had gradually been converting to the Québec Social Aid programme which paid benefits somewhat higher than the Indian Affairs programme, though this differential disappeared by the

TABLE 6

Grouped federal and Québec welfare expenditures for the Cree region
1971-72 to 1976-77

YEAR	MISTASSINI	WASWANIPI	RUPERT HOUSE	EASTMAIN	PAINT HILLS	FORT GEORGE	TOTAL
1971-72	$165,000	$ 71,292	$ 87,000	$ 57,492	$ 86,345	$130,000	$ 597,129
1972-73	270,983	75,350	138,530	56,740	96,897	145,257	783,757
1973-74	275,559	87,446	165,000	65,544	97,400	139,000	829,949
1974-75	388,586	111,405	140,285	94,234	110,050	456,500	1,301,060
1975-76	515,512	132,531	272,570	120,434	184,484	564,906	1,790,437
1976-77	418,649	126,352	156,647	104,365	153,308	416,940	1,375,261

1. The figure for Rupert House for fiscal 1975-76 is an estimate. In mid-1975, this community switched to receive its welfare program me under Québec auspices. In this year, the federal system provided $72,570 in welfare payments to Rupert House. The Québec contribution is estimated as $25,000 per month for 8 months, or $200,000. Although the figure appears inflated, it has been noted that the Québec Social Aid payments for September 1975 (our only hard data for that year) amounted to $33,668. In the first three months of fiscal 1976-77 -- before the effects of the Income Security program me affected the situation -- the monthly payments ranged from $24,500 to $26,874

Source: DINA
MAS Quebec

mid-1970's: The major part of the increase is accounted for by the utilization of more generous benefits in the region.

As for the level of welfare payments prior to the commencement of the Income Security Programme, perhaps the best indicator would be the actual number of cases receiving benefits. To show this we have summarized the case load data for the Cree region on Table 7. We can see that the average case load per month was 885 in 1975-76, a period in which the impacts of the ISP had not been felt. It was impossible to determine the case load for all the Cree communities in the years previous to 1975, but we did reconstruct the Waswanipi data back to April 1974 on Table 8, which gives a picture of the situation in this community for some 30 months prior to the introduction of the programme.

We can calculate the Waswanipi case-load month total for these 30 months at 1,996, an average of about 66 cases per month. For the Cree region as a whole, we estimate that there were about 1,300 families, based on a population of 6,500 with an average family size of 4.8. In Waswanipi there were about 135 families, based on an estimated resident population of about 650. We might assume that no more than one third of the case load was made up of single people, which would mean that about half the 885 families in the region were on welfare. In Waswanipi, using the same basis, one would estimate that about 40% of the families were on welfare. The differential for Waswanipi would be consistent with more jobs being available in the immediate area (near the towns of Chapais and Chibougamau and in the area where there is a

TABLE 7

Total welfare case load for Cree communities by month - 1975-76 to 1977-78

Year	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Total	Average per month
1975-76	982	940	910	827	886	814	889	874	1030	1044	742	691	10,629	885
1976-77	823	698	779	753	557	405	274	237	214	241	236	252	5,469	456
1977-78	268	265	263	283	261	273	254	245	272	294	301	322	3,301	275

Note: The Income Security Programme commenced officially in November 1975 but the registration of beneficiaries commenced in the summer of 1976 and the programme was fully operational in September 1976. Welfare case load declines from that period.

Source: DINA & Québec MAS

TABLE 8

Welfare case load in Waswanipi
1974-75 to 1977-78

	74-75	75-76	76-77	77-78
April	105	89	59	33
May	120	87	76	37
June	61	87	75	37
July	38	63	60	42
August	43	57	57	21
September	59	70	52	23
October	81	68	35	18
November	37	63	20	20
December	56	59	28	25
January	75	76	41	37
February	54	56	30	38
March	53	60	31	46
TOTAL	782	835	564	377
Average per month	65	70	47	31

Source: DINA

main highway). Clearly, though, the data do show that welfare was a very important source of income in the Cree region prior to the signing of the James Bay Agreement.

In terms of welfare as a percentage of the total cash flow in the Cree communities, we can examine that from the data which were produced by the 1972 McGill study augmented by some of the later work done by Feit and by the Grand Council of the Crees. (Salisbury 1972a, 1972b, Feit unpublished, GCCQ 1974). These data are combined and summarized on Table 9.

If we ignore the imputed value of subsistence food which is included in the studies, we can arrive at an estimate of the percentage of cash flow which comes from welfare. In Eastmain and Paint Hills, for example, 21% and 41% of cash derived from transfer payments - most of which was welfare. However, we know that in these communities Manpower courses contributed substantially to employment income for the year under consideration. It would not be unreasonable to assume that had these courses not been given, the welfare total would have been higher. Indeed we were told by officials at the band level and in the district office that Manpower courses were frequently organized to remove people from welfare lists. If one analyzes the other figures on Table 9, one can deduce that transfer payments - principally welfare - contributed something between one-quarter and one-third of the cash flow in communities other than Fort George. In that community, the initial impacts of the James Bay Project had begun to be felt at the time of the studies.

TABLE 9

Relative importance of subsistence food and fur production compared to transfer payments and employment income in the economies of the James Bay Cree communities

Community	Transfer Payments	Employment Income	Trapping Income	Subsistence Cash Equivalent of food	Per Family Cash Income	Per Capita Cash Income	Per Family Income	Per Capita Income
James Bay Region[1]								
1970-71								
- Amount	-	-	-	-	-	$ 340	-	$1,000
- Percentage	17%	25%	8%	50%	-	-	-	-
Fort George[2]								
1971-72								
- Amount	-	-	-	-	$5,130	$1,190	$7,068	$1,624
- Percentage	12%	61%	1%	25%	-	-	-	-
Fort George[4]								
1973-74								
- Amount	-	-	-	-	$7,076	$1,476	$9,483	$1,978
- Percentage	25%	50%	2%	25%	-	-	-	-
Paint Hills[2]								
1971-72								
- Amount	-	-	-	-	$2,475	$ 695	$3,530	$ 991
- Percentage	49%	18%	3%	30%	-	-	-	-
Eastmain[2]								
1971-72								
- Amount	-	-	-	-	$1,745	$ 479	$2,660	$ 729
- Percentage	51%	11%	6%	32%	-	-	-	-
Waswanipi[3]								
1968-69								
- Amount	-	-	-	-	$1,949	$ 377	$4,291	$ 830
- Percentage	16%	18%	11%	55%	-	-	-	-
Waswanipi[3]								
1969-70								
- Amount	-	-	-	-	$1,977	$ 382	$3,941	$ 762
- Percentage	19%	22%	9%	50%	-	-	-	-

1. Salisbury, et al. 1972a.
2. Salisbury, et al. 1972b.
3. Feit, unpublished data.
4. CCCQ, 1974.

Thus the picture of the wage labour and welfare situation in Cree communities prior to 1975 would be one in which about half the families on welfare derived about one-third of the total cash income of the region from this source. Wage employment in this period probably only accounted for about one-third of the cash income in most communities - about the same as welfare. Other transfer payments, income from furs and handicraft sales would make up the remainder.

If we recall the earlier discussion of the importance of the cash equivalent value of the harvest production, in the light of the requirement for welfare to generate needed cash, we can see that welfare was especially important for about half the population of the region. For that half, perhaps as much as three-quarters of available cash came from this source, and it seems certain that it was this group which was principally involved in the bush economy. In the light of this, the importance of welfare in sustaining the bush sector of the Cree economy is evident. Given the important dynamic of that economy within the Cree communities, one can conclude that there were important productive pay-offs deriving from the payment of welfare.

Notwithstanding that welfare played an important part in sustaining the harvesting economy of the Cree population, it must be admitted that is not a particularly refined tool. Given the form of the regulations which provide for monthly payments, it is certainly not suited to augment incomes of subsistence hunters who must be away from the community for months at a time. The fact that welfare contributed as much as it did in the past can be attributed to the ingenious (and

probably illicit) means which resourceful officials developed for the region. Recognizing the importance of food available in the bush for the domestic economy of the families, a system was used whereby intensive harvesters going to the bush were given several months' welfare benefits in advance in the fall, and again in January. This meant that these families had additional cash at a time when they were outfitting and when they returned to the community around Christmas. Had it been necessary for families to return to the communities each month to request welfare for the following month, the sustained stay in the bush needed to engage in subsistence would have been impossible. In retrospect, the Cree hunters were fortunate that they were served by officials who were willing to bend regulations to accommodate their particular situation. Cree hunters were not a group of destitute people. They were a "working poor" who needed a form of subsidy to take full advantage of the economic opportunities of their particular form of subsistence activity.

Subsidies for weak sectors of production are certainly not novel in the Canadian context. They come in a variety of forms: for milk producers, as guaranteed payments for quotas; for the automobile industry, as special loan guarantees; for the Cape Breton steel industry, as direct grants for plant renewal; for western farmers, as special shipping rates for grain, etc. Within Indian Affairs there have been experiments in subsidizing communities in the north through the Native Outpost policy (Gaunt, 1976). A number of proposals could have been put forward to subsidize the Cree subsistence economy, but it is not particularly useful to discuss other hypothetical approaches in

the present context. In the negotiations surrounding the James Bay settlement, the nature of the approach taken in the social and economic proposals to rationalize the Cree subsistence economy drew inspiration from the theoretical discussions of Guaranteed Annual Income. Such discussions had been in the forefront of social policy planning for at least two decades. Planning for the implementation of a national programme in Canada was well advanced and one short term experimental programme was underway. The James Bay settlement resulted in the first permanent guaranteed income scheme in this country. It has not been determined whether there are schemes in other countries, but if any exist, the Cree programme is one of the very first to have been established. In the light of its novelty, it will be useful to review the concept of Guaranteed Annual Income before describing the Cree programme.

Some Experiments in Guaranteed Annual Income

The most widely discussed of the Guaranteed Annual Income schemes is that of "Negative Income Tax" (NIT). It has been proposed as a means of resolving the problem of providing an equitable income support for the so-called "working poor". It has been recognized that conventional welfare programmes are both expensive to administer and inequitable, both geographically and in terms of individual access to the programmes in a particular region. Regional disparities placed welfare burdens on exactly those states, provinces or cities which were in the weakest position to respond. Moreover, most programmes were not designed to benefit the "working poor", only the destitute.

One solution to the problem was seen in the possibility of extending the well known notion of positive income tax to take in this sector of society, but instead of paying an income tax to the government, this public would receive a graduated benefit sufficient to bring all incomes up to a predetermined minimum. The argument was that such a programme would be cheaper to administer, more equitable in that it would be free from the idiosyncratic assessment of local welfare boards, and above all, remove the stigma of shame from welfare recipients. (A review of the arguments and an analysis of the comparative costs in given in Green, 1967.) The proponents of this programme did not see it as a panacea, for all welfare problems or as a replacement for the current variety of programmes. Rather, their proposal was directed to the "working poor".

A persistent criticism of most welfare schemes is that they discourage people from working. Payments to recipients are normally reduced by the total of whatever income is earned. Under Québec Social Aid, provision is made to permit only a portion (an increasing percentage over three months) to be deducted. But most schemes reduce payments by 100%; that is, a family receiving $400 per month in welfare would have these benefits reduced to $100. if $300. were earned. Following each short term job, one must re-apply for reinstatement, a process involving a trip to the welfare office and another interview. Thus unless there is an opportunity to earn more than the welfare benefit in a given period, there is little incentive for a person to take a job at low pay, or even at high pay for a few days because the family's income would remain substantially the same whether one worked or drew welfare. Moreover, losing welfare payments because of a short term job leaves the claimant with the possibility of not being reinstated.

But more serious than this is the fact that thousands of low income workers earn more than the maximum which would permit them to receive welfare, even through their total income puts them well below the poverty line. This group of "working poor" has no recourse to regular assistance under conventional welfare systems. It is for this group that the NIT proposals were directed.

Under a NIT system, the maximum benefits payable to a family are established by a system not unlike a normal welfare benefit structure. Benefits reflect family size: the larger the family, the larger the

possible payment. This maximum level of payment for a particular family size is known as a "guarantee level" in the NIT literature. In the total absence of other income, this amount will be provided to the family. However, unlike conventional welfare schemes, one of the features of the NIT proposals is that the guarantee to the family is not reduced by the total dollar value of earnings. Rather, the guarantee is reduced or offset by a percentage (the tax offset rate) of the earnings. Thus the benefit to a family is equal to the guarantee minus earnings multiplied by the tax offset rate.

$$\text{Benefit} = \text{Guarantee} - (\text{Earnings} \times \text{Rate})$$

Under the system, a family which works is rewarded by being able to retain a net income which is higher than the basic guarantee. For example, if a family was calculated to have a requirement for a guarantee of $4,000 per annum, and if under the programme it had $2,000 in earnings "taxed" at 50%, the net income to the family would be $5,000 = $4,000 - (.50 x $2,000) + $2,000. That is the earnings would have been $2,000 and the benefits under the scheme $3,000 for a total of $5,000. Without any earnings, the family's income would have been the amount of the guarantee - $4,000. Were the earnings $5,000, the benefit would be reduced to $1,500 for a net income of $6,500. One can see that the point would be reached when a family earned so much that the benefit would be reduced to zero. This point is called the "break-even" level - the level of earnings which reduces the programme's benefits to zero. In our example with a tax rate of 50%, that point would be reached with earnings of $8,000.

$4,000 - (.50 x $8,000) = 0.

Mathematically, the breakeven level is the guarantee level multiplied by the reciprocal of the tax offset rate expressed as a decimal.

There is obviously a good reason to suspect that if either the tax offset rate or the guarantee levels under a NIT programme are very high, there might be a tendency for people to stop working and to subsist on the guarantee, with the result that the programme would operate rather like a conventional but perhaps more generous welfare scheme. Critics of NIT voiced fears that as the guarantee level approached the poverty line, people would drop out of the work force. If that occurred, the costs to the public treasury would be insupportable. Of course there was not way of prejudging the response of people in the absence of any experience with such a scheme.

In an attempt to seek some concrete information to guide policy framers, several experimental income maintenance schemes were established. They were designed to test an underlying and politically significant question: what is the effect of an income maintenance scheme or a negative income tax programme on the work effort of the recipients? Would such a programme encourage people to withdraw their services from the labour market? Of course, the research design of these large scale experiments was not limited exclusively to questions relating to labour market response. A broad range of sociological and cultural topics was covered, ranging from assessing impacts of the experiments on the performance of school children to shifts in consumer

habits. The object was to gather as much information as practical from these very costly experiments which could later flow into the design of any potential national NIT scheme.

Thus between 1968 and the present, several major experiments have been initiated in the USA. There is one in Canada - the Manitoba experiment, Mincome, which ended in 1979 but on which there is not yet any public assessment data. Already we have good information on the research findings of two of the US experiments: the New Jersey Income Maintenance Experiment and the Rural Income Maintenance scheme (Kershaw & Fair, 1976, Bawden & Harrer, n.d.). The New Jersey experiment focussed on the urban milieu of Trenton, Jersey City and Paterson-Passaic, New Jersey and Scranton, Pennsylvania. Later urban plans were set up in Seattle, Washington, Denver, Colorado and Gary, Indiana, and a rural experiment was situated in the states of North Carolina and Iowa. In these experiments, participants were selected on a range of statistical criteria, matched with a "control" population and provided with a guaranteed income for periods of three to five years (A small subsample of the Seattle-Denver experiment will receive payments for a period of twenty years). Each of the experiments had about a thousand families receiving benefits. The Manitoba experiment involves a "saturation" programme in the town of Dauphin, and also includes families in Winnipeg and in some rural areas.

In all these experiments, an attempt was made to test for the effect of labour withdrawal through the device of setting differing guarantee levels both above and below the poverty line combined this

with a mix of tax offset rates. Experimental results would, among other things, indicate which mixes of guarantee and tax offset rates would most encourage wage labour attachment, to minimize public expenditure to finance the programme. For example in Manitoba the experiment was divided into sub-samples each receiving a different treatment along the lines of the following matrix:

Guarantee level for family of four - 1975	Tax offset rate 35%	50%	75%
$3,800	X	X	--
$4,800	X	X	X
$5,800	--	X	X

(Source: Hum, 1977)

In the town of Dauphin, where there was a "saturation" programme, there was only one mix - a $3,800 guarantee combined with a 50% tax offset rate.

In the New Jersey experiment, the payments followed the following matrix:

Guarantee as a percent of the poverty line	Tax offset rate 30%	50%	70%
50	X	X	-
75	X	X	X
100	-	-	X
125	-	X	-

(Kershaw & Fair 1976: 10)

The missing cells in the above matrices indicate guarantee/tax-offset combinations which were judged to have no relevance to policy planners.

In operation, the experiments depended on a system of self-reporting of income by the participants. After an initial interview, when the programme was explained to them, the participants filled out a periodic form summarizing all earnings from the previous period. This was mailed to the programme administration which calculated the benefit payable on a bi-weekly basis. In general, the programmes were designed to be as similar as possible to any potential nationally administered scheme. Hence the participants were contacted by the administration as little as possible. The research group did interview the participants on a regular basis, but their involvement was kept separate and distinct from the programme administration. For example, the research interviews were not consulted in assessing administrative aspects of an individual's file. But in each district where the programme operated, there was a local administrator to whom the participants could come for advice or conversely, who could contact the participants if there were problems with their forms. In short, the administration staff did not take upon themselves the role of social case-workers.

On the basis of the income reported in the regular report, a calculation of the payment was made and a bi-weekly cheque issued. In the experiments, the amount of payment depended upon the guarantee/tax rate treatment the family was receiving. From the New Jersey case, we can take an example of how the calculations were made to a family of

four receiving a guarantee at 100% of the poverty line ($3,300 in 1969) with a tax offset rate of 50%. With no outside income, this family would have received a bi-weekly cheque of $129.92. However, if the report indicated earnings of $300 in the previous four weeks, the $129.92 payment would have been reduced by an amount equal to 50% of the $300 earnings - that is by $150 for the month, or $75 for the two-week period. The next two benefit cheques would be for $54.92 ($129.92 - $75). If a similar family were subject to the 70% tax rate, the bi-weekly reduction would be $110 and the payments $16.92 each.

One can appreciate that if only the previous period's earnings are considered, it will lead to a situation where over-payments on an annual basis would be made to families who receive the bulk of their income in a lump sum or in irregularly spaced work. Such families could be in the position of drawing full benefits for eight, ten or even eleven months, missing full payment only in the period following the lump-sum payment. One can easily imagine a farmer who might get his total annual income in the form of a payment from the sale of his crop. If he were in a programme with a guarantee level of, say, $4,000 per annum and he received a payment for the sale of crops in the amount of $3,000 in a lump sum, he would be in a position to collect NIT benefits for eleven months. Such an individual would end up with almost $3,700 in NIT payments and a total income of $6,700. At year's end he would have to reimburse the programme for overpayment. The amount of the overpayment would depend upon the tax offset rate, but assuming that it were 50%, the amount of the overpayment would be in the order of $1,500.

By way of comparison, an individual on the same programme who received annual earnings of $3,000 on the basis of a regular $250 per month would receive a total annual benefit of about $2,500 based on a monthly payment of $208.33.

$$\frac{\$4,000}{12} - (.50 \times 250) = \$208.33$$

If there were no provision for collecting the overpayment to the farmer, the system would be inequitable. It is recognized that adjusting the payments for equity on an annual basis is extremely difficult because of the hardship involved in making such large repayments. Several systems of making these adjustments on a regular basis have been considered.

Kershaw and Fair devote a few pages to a discussion of a "carry over" system developed in the New Jersey experiment, which adjusted the payments to people with irregular incomes (1976: 80-83). They finally used a carry over system similar to the accounting device used to handle inventory stock control. It is not useful to repeat the details of that discussion in this paper, it being sufficient to note that relatively simple accounting principles can be used in the context of negative income tax systems to assure that total annual payments are not in excess of guarantee limits without painful resort to collecting overpayments.

The Income Security Program for Cree Hunters and Trappers

If one considers the Cree trappers as a "working poor" for whom a form of guaranteed income is being designed, it is clear that some of the straightforward approaches of NIT would be less than adequate. As noted in the discussion of the Cree economy, the problem in the Cree communities has been one of maintaining a level of cash income from a combination of wage labour and welfare to finance the subsistence venture. Since the income from fur sales is so low (average $473), it is evident that it will not figure to any major extent in maintaining the cash flow to the hunting groups. If a programme were designed which would simply transfer cash to people, there would be a potential tendency for recipients to remain in the communities and live on the proceeds of the payments combined with occcasional sorties in the bush to harvest wild life. This is the exact analogue of the fear that people would withdraw from the labour market in NIT programmes. It is clear that the approach of combining guarantee levels with tax offset rates would have little potential in the Cree context. The potential income from trapping is so low that guarantee levels would be little affected by that activity. A high guarantee level might, in fact, result in some subsistence hunters withdrawing from that activity and attempting to live on store bought food augmented with occasional excursions to the nearby bush for animals.

It was the purpose of the designers of the Cree programme to have a scheme which would encourage the subsistence sector of the Cree communities; this was an important social, cultural and economic goal.

The long range stability of these communities depended on it. It was recognized that if certain conventional NIT approaches were taken in setting the guarantee level and tax rate combination, it might have the result of encouraging Cree to leave harvesting activities and to maximize cash income in the wage labour market.

In particular, the concept of a monthly payment was less than optimum for harvesters who spend long periods isolated from the community and who only need significant amounts of cash at a few periods during the year. The approach had to be one of rewarding the subsistence sector, and at the same time of ensuring that people would be interested in pursuing normal summer work, especially in community projects where a regular labour force was needed. To ensure that serious hunters would get maximum benefits, the programme had to be limited in some way, otherwise it would be too costly. The approach taken was to provide a cash income for subsistence activities in the form of a wage subsidy combined with a guarantee level which would both provide equitable differentials to families of various sizes and at the same time provide a stimulus for those who were able to pursue wage labour outside the hunting period.

Subsection 30.1.8 of the Agreement sets out clearly the goals of the designers of the programme:

> The programme shall insure that hunting, fishing and trapping shall constitute a viable way of life for the Cree people, and that individual Crees who

> elect to pursue such a way of life shall be guaranteed a measure of economic security consistent with conditions prevailing from time to time. (Agreement, 437).

In essence, it does this by providing payments for subsistence activities so that they are, and continue to be viable. These payments are made to those who meet programme eligibility criteria established by the Agreement. These criteria are set out in detail in Subsections 2.1 to 2.4 of Section 30 of the Agreement and were formally made part of the Act creating the Income Security Programme (Sections 6 and 7).

The basic criteria relate to time spent in what is called 'harvesting', which is defined in the Act, but which essentially means involvement in the subsistence economy, as we have used the notion earlier in this paper. Those are eligible who:

- spend at least 120 days in harvesting and related activities in a year, 90 days of which must be spent outside the settlement;
- spend more time in harvesting and related activities than in wage employment; but excluding certain kinds of work in guiding, outfitting or commercial fishing; also excluding time spent on UIC, Manpower courses, or Workman's Compensation;
- in the year preceeding the year of entering the programme earn more from harvesting than from wage labour, excluding guiding, outfitting and commercial fishing, though in succeeding years he would have to meet the time requirements to remain eligible.

Once in the programme, beneficiaries can lose eligibility by

spending less than 120 days in harvesting; by spending more time working for wage labour (except in the protected employment of guiding, commercial fishing, Manpower courses, and on special projects like community improvement programmes) than is spent in harvesting activities; or by earning more in salaried or wage employment than in harvesting. However, borderline cases are reviewed and there appears to be some flexibility. The Act, also sets out the exceptions affecting those who cannot go to the bush for reasons of sickness, attending training programmes, benefitting under Workman's Compension, etc. In these instances, eligibility is not lost.

Once eligible, a family, or more correctly a "beneficiary unit" as it is termed, for a single person 18 years of age or over can be a "unit" as well, can expect to receive a payment four times a year, which is based on a rather complex formula which is set out in its legal form in Division III of the Act. In simple terms, a beneficiary unit gets a sum made up of (1) the "basic amount" and (2) a "per diem" payment for each day spent in the harvesting activity. The basic amount is reduced by a tax offset rate on income (including earnings from per diem payments) of 40%. The basic amount, or guarantee, is made up as follows:

For the head of the unit	$1,000
For the consort	$1,000
For the family unit	$400
For each child	$400

These are the amounts which were set for 1975 and in accordance with provisions of the Agreement, the benefits are indexed to the cost of living. For 1980-81, these amounts are $1,536 and $615.

The per diem payment was originally established at $10.00 for each adult in the unit - that is, the days of both the wife and the husband were taken into account. This amount is also indexed and for the year 1980-81 it was $18.14. When the programme was established, there was a provision for the payment of $2.00 per day for beneficiaries while they were not in the bush. This provision was dropped by mutual agreement because of the potential complexities of administration. In compensation, $2.00 was added to the $10.00 per diem payment in the second year of operation and it is that amount which has been indexed since.

Earnings are "taxable" at a rate of 40%. That is, for each dollar earned from the following list, a deduction of 40 cents is made from the basic amount or guarantee:

The total amount of the "per diem" payment

Wages and salaries

UIC benefits

Workman's Compensation

Manpower training course allowance

Income as a band counsellor

Baby sitting

Income from room and board

Self-employment

Income from fur sales in excess of $250 per adult in the unit (with indexation, the 1980-81 amount was $385.00)

Income from Old Age Pension reduces the guarantee at the rate of 100%. If the total of all deductions exceeds the guarantee level, the unit still receives the full amount of the per diem payment. No deduction is made from it except in the case of a beneficiary who has received welfare. The total amount of this kind of welfare payment is deducted from the benefit, including part or all of the per diem payment if necessary.

The forms used to establish and calculate benefits reduce this verbal description to a format not unlike an income tax return. And just as most people boggle at the spelling out of the Income Tax Act, but seem able (with help) to manage with forms that make the calculation straightforward if not immediately understandable, so too the Cree manage, though scarcely anyone understands the process.

That, then, is the essence of the programme. Once people meet the criteria, and are accepted in the programme, they draw four cheques a year for a total amount not less than the per diem rate multiplied by the number of days in harvesting activities. If a unit had absolutely no other income, the payment would be that per diem payment plus what remained of the basic amount after reducing it by an amount equalling 40% of the per diem.

Two examples will perhaps help to clarify the calculation of the payments involved. In the first, our example is of a single man; in the second, a couple with two children. For clarity the calculations are made for each case on a form utilized by the Cree in 1976-77 which is reproduced on the following pages. In the example of the single man, we note that he earned $2,700 in wage employment and has received $800 in UIC benefits. This, together with the income from fur (note that $250 of it is exempt) makes his earnings so high that he receives no "basic amount" which for the 1976-77 year is $1,112. He does, however, get a payment of $1,837 based on his 140 days of harvesting activities at $13.12 per day.

In our second example, the beneficiary unit comprises two adults and two children. In this case, the basic amount is $3,559. While the earnings are the same as in the previous example, we note that the fur exemption is for $500 ($250 for each adult, i.e. the man and his consort). In the calculation of the amount granted we can see that the difference between 40% of his earnings and the basic amount leaves him $169 of the basic amount. This is added to the per diem payment, which is double that of our previous example for both beneficiary and consort receive that same daily payment in the bush. This amount of $3,674 is added to the $169 for a total payment of $3,843.

The form indicates that the maximum payment per diem per adult is $3,150. This represents the payment for 240 days in harvesting activities which is the upper limit that can be claimed. The upper limit of the basic amount would be determined of course, by the number

EXAMPLE "A"

case load

permanent code

COMPOSITION OF THE FAMILY SINGLE MAN

Number of adults	revised		No of dependant children	revised	

BASIC AMOUNT

head of beneficiary unit	1,112.	1,112.	
consort	1,112.	0	
family or individual	445.	0	
no of children ____ X	445	0	1,112 A

INCOME

OLD AGE PENSION

	revised	amount	
head of beneficiary unit		0	
consort		0	0 B

PER DIEM (01-07-76 TO 30-06-77)

	revised	days				
head of beneficiary unit		140	X 13.12 =	+ 1,837	max. $3,150/adult	
consort			X 13.12 =		=	1,837 C
FUR INCOME		1,800	- 250./adult	250	=	1,550 D

	revised	amount
EMPLOYMENT		2,700
U.I.C. BENEFITS		800
WORKMAN COMPENSATION		
MAN POWER TRAINING ALLOWANCE		
INCOME AS BAND CONCELLOR		
BABY SITTING		
INCOME FROM ROOM AND BOARD		
SELF EMPLOYMENT	S	
RELATED ACTIVITIES	S	

= 3,500 E

TOTAL: C, D, E = 6,887 F

CALCULATION OF AMOUNT GRANTED

6,887 F X 40% = 2,754 G

+ 0 B

1,112 A (-) 2,754 H = + 0 I + 1,837 C = 1,837 J

for the period of 01-07-76 to 31-08-76

social aid 0

band relief 0

1,837 J - 0 K = AMOUNT GRANTED 1,837

EXAMPLE "B"

case load

permanent code

COMPOSITION OF THE FAMILY MAN, WIFE, 2 CHILDREN

Number of adults revised

No of dependant children revised

BASIC AMOUNT

head of beneficiary unit	1,112.	1,112.	
consort	1,112.	1,112	
family or individual	445.	445	
no of children ____ X	445.	890	3,559 A

INCOME

OLD AGE PENSION

	revised	amount	
head of beneficiary unit		0	
consort		0	0 B

PER DIEM (01-07-76 TO 30-06-77)

	revised	days			max. $3,150/adult	
head of beneficiary unit		140	X 13.12 =	1,837		
consort		140	X 13.12 =	+ 1,837	=	3,674 C
		1,800	– 250./adult	500	=	1,300 D

FUR INCOME

	revised	amount
EMPLOYMENT		2,700
U.I.C. BENEFITS		800
WORKMAN COMPENSATION		
MAN POWER TRAINING ALLOWANCE		
INCOME AS BAND CONCELLOR		
BABY SITTING		
INCOME FROM ROOM AND BOARD		
SELF EMPLOYMENT	S	
RELATED ACTIVITIES	S	

TOTAL: C, D, E = 3,500 E / 8,474 F

CALCULATION OF AMOUNT GRANTED

8,474 F X 40% = 3,390 G + 0 B

for the period of 01-07-76 to 31-08-76

3,559 A (–) 3,390 H = 169 I + 3,674 C

social aid + 0

band relief + 0

3,843 J – 0 K = AMOUNT GRANTED 3,843.

of children or dependents. It is this variation which makes it difficult to provide meaningful data on what the minimum and maximum payments available under the programme would be. The calculation is complicated in that the per diem payment must always be included as 'outside income', an amount which varies with the number of days spent in the bush. However, as the per diem income rises, the guaranteed amount decreases, but, as we have seen, the maximum guaranteed amount differs with family size. Perhaps the most meaningful comparisons can come from the consideration of a family of a specific size, but with varying man-days in the bush.

The outside limits of benefits for a family of two adults and two children can be estimated by assuming the units receive no outside income at all. Under such a circumstance, the minimum payment would be for the family who spent the minumum number of days in the bush to retain eligibility under the programme - 90 days - a situation which would arise if only the head of the beneficiary unit went to the bush. The maximum would be for the case where both spouses spent the maximum number of days in the bush for which they could be paid - 240 days each, or a total of 480 for the beneficiary unit. In these cases of similar sized families, the minimum and maximum benefits for 1975 would have been $3,848 and $6,656. Indexing will have raised these amounts to $5,897 and $10,141 respectively for the 1980-81 programme year. In fact, though, both hypothetical cases would be unlikely to exist in that the family with the minimum benefit would almost certainly have recieved some outside income, and it would be difficult to imagine a family spending the whole year in the bush without having a modicum of

fur to sell.

However, it is clear that any outside income would be 'taxed' at the rate of 40% and therefore the family incomes would not lie below the levels calculated in the previous paragraph. These figures then are for the minimum income that a family in such circumstances would receive, but also are the maximum they could receive from ISP benefits with that number of days in the bush. In terms of its adequacy, one would have to relate the amounts back to the calculations we made on the costs of going to the bush to gain access to the subsistence production. That was calculated as $3,100. gross, or $2,600 net (page 15). For the two cases we have presented above, there would be sufficient cash flow to permit the excursion in 1975, though it is clear that the family spending the minimum number of days would have a very narrow margin (3,848 - $2,600). The situation of the family spending the full possible complement of days would have a 'surplus' of something in the order of $4,000.

It can be seen from this that an evaluation of the adequacy of the ISP payments must be made in the context of the costs of going to the bush. This is an area we shall discuss later in this report. The present manner of indexation of the programme relies on data provided by pension index of the Québec Pension Plan. In general it can be said that the pension plan index is calculated on the basis of increases in the cost of living in the urban south. While there is provision for the use of a special index based on the cost of living in the territory, that has not yet been done. We shall see that the cost of

going to the bush has increased substantially as a result of the energy crisis and has led to complaints that the benefits provided under the programme have not kept up with increasing costs.

Notwithstanding the difficulties of assessing minimum or maximum benefits, in the following section we shall attempt at least to compare gross estimates with those provided under the negative income tax experiments which we discussed previously.

Comparison of Cree and NIT Experiments

1) Guarantee levels and benefits

The Cree programme differs from the NIT experiments in that it incorporates both the notion of a minimum guarantee level and, through the per diem payments it provides to the beneficiaries, a form of direct wage subsidy. In contrast, under the NIT experiment, earned income was generated only from wages or the proceeds of self-employemnt. One also notes that the guarantee level on the Cree programme is lower than on the other experimental schemes which were set to reflect the poverty line in the years of operation. The comparison of the guarantee levels for a family to two adults and two children in the different schemes (adjusted to reflect 1975 dollars) is as follows:

Cree Income Security Program	$3,200
Mincome (Manitoba)	$3,800, $4,800, $5,800
New Jersey (to nearest $10.00)	$2,500, $3,750, $5,000, $6,250
Rural Experiment (to nearest $10.00)	$2,500, $3,750, $5,000

(The lowest guarantee levels in the U.S. experiments relate to the guarantee received by the sub-sample which was treated at 50% of the poverty line).

However, a simple comparison of guarantee levels is inadequate because the Cree programme has the feature of the per diem payment for

time spent in the bush. In order to participate in the programme, the head of the beneficiary unit must spend at least 90 days away from the community in subsistence activities for which he would receive about $12.00 per day in 1976 rates. Thus, in order to retain eligibility at a minimum payment, a head of unit will receive a minimum payment for the per diem benefit of $1,080. This payment, combined with the guarantee for a family of four, provides a minimum income of $3,848, provided they have absolutely no other income. However, the more common situation in the Cree context would be for both spouses to be in the bush together in the harvesting venture. This would provide a more common minimum of 180 days in the bush, which would be reimbursed at the rate of $12.00 per day - a total of $2,160 in per diem payments. When combined with guarantee, a family of four could be eligible for a minimum of $4,496.

The absolute minimum (90 days for the head of beneficiary unit) provides a family of four with $3,848, almost exactly the same as the minimum guarantee of the saturation programme in Dauphin, Manitoba, which operated with a guarantee level of $3,800 (for a family of four) and a tax offset rate of 50%. The Cree beneficiary, of course, would be required to spend 120 days in total on harvesting and related activities before being eligible. A Manitoba beneficiary who spent four months working would end up with considerably more total net income on a cash basis. The Cree beneficiary, at the same time, would have harvested considerable food in three or four months which would contribute significantly to the family economy.

The level to which support payments will be continued is a good deal more complex to determine. For the experiments, they are straightforward, given as the break-even point of the guarantee. The rules of the Cree programme make this point much more difficult to determine. To begin with, a beneficiary cannot earn more outside income than from his hunting activities and his per diem payments and still retain eligibility. Let us consider again the example of a family of two adults and two children in 1975. Assuming that both spouses spent the maximum number of days harvesting - a total of 480 - the income from the per diem payment would be $5,760. Assuming no outside income from either fur sales or wage labour etc., the benefit to this family would be $6,556. Outside income could reduce the benefit to only $5,760, the amount of the per diem. A family of this size, with a guarantee of $3,200 has a break-even point of $8,000 which implies that other income in the amount of $2,240 would reduce the guarantee to zero (with 480 days yielding a per diem payment of $5,760). However, the per diem payment would be made even if the family earned income in excess of a total which exceeded the break even point, technically to an amount equal to the benefits paid under the programme, in this case $5,760. But, if the income were derived from fur sales, or from work in guiding, commercial fishing or outfitting, the maximum cash income permitted under sub-section 30.2.2b would appear to be unlimited.

Support levels for the Cree then will reach maximums at a point when the beneficiary units spend the maximum number of days in the bush, but net income to the family may perhaps be maximized at higher

levels with a lower number of days in the bush if combined with wage labour. If the family in our example above had spent only 300 days in the bush (150 for each spouse) and the family had employment, say in an outfitting camp for 30 weeks at $200 per week, and had gotten $750 in furs, the Income Security Benefit would be $3,600. The net income for the family would be that amount plus the proceeds from employment and fur sales, a total of $10,350. The same family with 480 days in the bush with the same fur income, but the wage earnings at a maximum of 17 weeks (the total time remaining after spending 240 days in the bush) at $200. would have a net income of $9,910. The two amounts are almost the same.

Part of the advantage of the per diem payments is that they are calculated on the basis of seven day week, while employment is normally on the basis of five days. To derive advantage of wages over harvesting, one would need a weekly wage in excess of seven times the per diem rate.

Given the potential in the Cree programme to receive benefits when net income is in excess of the break even point, it is more generous than the other experiments. However, given the overall scarcity of employment opportunities for the Cree, and above all the limited number of weeks available for work after one has spent time in the bush, the possibility of exaggerated net incomes is remote. Nonetheless, there exists the possibility for an Indian outfitter, for example, to receive the per diem payments up to the maximum possible for both spouses while receiving substantial income from such a business venture.

In summary then, compared with the experiments, the Cree programme presents a much more complex approach to the matter of establishing minimum payments and minimum and maximum net incomes for beneficiaries. While the Cree programme has a lower guarantee level than the experiments, it nonetheless provides benefits for people meeting even minimum criteria which are comparable with any of the experimental programmes. At maximum levels, taking into account the potential for net income, the Cree programme would seem to be more generous.

2) Definition of income

If the Cree programme is complex in matters relating to determining minimum and maximum payments deriving from the guarantee/ per diem formulae, it is much simpler in its approach to other features of the accounting. Programmes can differ in the manner in which income is defined, how personal wealth is incorporated in calculation of income, in the manner of treating assets and capital goods, in defining family members for purposes of income calculation, in the treatment of other transfer payments, etc. Since the experiments had to reflect the reality that any potential national NIT scheme would be tied to income tax regulations, the approaches to financial transactions which might effect the income of participants closely resemble the approaches used by Internal Revenue Service in the U.S.A. or the Income Tax Act in Canada. In contrast, the Cree programme seems to be based on the assumption that Indians pay no income tax on reserve based income, (which includes income from trapping on Crown land). This makes the Cree plan simple in administration. However, the status of the non-

Indian beneficiaries of the James Bay Agreement has not been questioned. Persumably, for tax purposes, they fall in a differeent category.

In the Rural Income Maintenance Experiment, and in the Manitoba experiment, there is a calculation of the net earnings of self-employed farmers. Payments are made based on the status of the balance statement of income and expenses. Items such as depreciation on equipment, and costs of pursuing the business venture are included, somewhat akin to a system used in the preparation of statements for income tax purposes. The Cree have not used such a system to calculate net income from hunting in calculating the net income from fur sales up until the present time, though there would seem to be provision for that in the Act (Section 10c). While that has made the calculation of the income an easy matter, in that the only items included in the calculation of bush income are the proceeds of fur sales and the value of man days spent in the bush, nonetheless there are limitations in this simplicity, which will be discussed below in the section dealing with an overall assessment of the Cree programme.

Unlike the experiments, the Cree programme does not take into account private wealth, interest or dividends received, income from house rental, nor proceeds from insurance settlements, in determining income. These certainly would not be a major factor in anyone's income at the present, and presumably, if many Cree hunters became wealthy, there would be the possibility of handling the situation through revised regulations. The approach at this stage seems to be to keep

the whole mechanism of income reporting a simple one, so that it remains comprehensible to the participants.

3) Reporting procedures

The Cree programme differs fundamentally from the NIT experiments in the reporting approach. The NIT experiments relied on self-reporting, that is the beneficiaries filled out and mailed in regular statements on their income. The reporting period was monthly or every four weeks. In general, the reports of the urban experiments indicate that the self-reporting system operated efficiently with no more fraud than could be normally expected, and with minimal errors after the system was properly in place. There was a tendency for individuals to underreport their income, but no more than in conventional welfare schemes or in income tax (Kershaw & Fair, 1976: 176). But in the rural programme, there were problems of accuracy and fairly serious underreporting (Harrar, n.d.).

In the Cree operation, provision is made for the beneficiaries to be interviewed in depth on an annual basis, with shorter interviews being made when the other cheques are delivered, so that revisions can be made to their estimates of days spent in harvesting and income earned. This avoids major adjustments in the last cheque in summer. The Cree then make their statements in person rather than by form. The local administrator of course uses appropriate forms to record information provided by the beneficiary in an interview. This would include earnings, information on income from fur sales, etc., as well

as a declaration by the beneficiary on the actual number of days spent in harvesting activities. A special booklet was provided for the Cree to record this information on a regular basis throughout the year, and in theory, they were supposed to bring it with them when they come to the interview. In practice, however, many did not have the booklet filled in when they come in and the practice was abandoned.

The responsiblity for the accuracy of the forms then rests with the local administrator. If he needs more detail on the income or fur sales claims of the beneficiary, he may check with the employer or the fur buyer. To gain access to this information, the beneficiary signs a release to the Income Security Board giving authority for the Programme to secure private information from employers or fur buyers. Of course, the beneficiary makes a formal declaration to the effect that the information that is given to the local administrator is accurate. Information on transfer payments from pensions or UIC is obtained directly form the appropriate agency, and no release is required, for the Board has, under the regulations, the authority to request and to share this information among agencies. This seems to be a standard practice in all the transfer payment programmes as it is normally done as a check by agencies like Indian Affairs in Band Aid Programmes, by the UIC, by Manpower, by Québec Social Aid, etc. In the experiments, while transfer payment data was typically exchanged (though there were a few problems in the New Jersey experiment which were eventually worked out) information on employment records was only sought in the investigation of fraud.

The reporting system of the Cree, then, is almost identical to that used by case workers in a welfare system. The client is not responsbile for the filling out of forms, he has only to present himself in person to be interviewed and this is done in his behalf. Though perhaps in theory there is the suggestion that the beneficiaries keep some record of their activities, in practice many do not and rely on the administrator to ferret out the information by directly approaching the companies, agencies etc. which are involved.

4) Limitation of programme benefits

The experiments, and presumably any national NIT programme, would be conceived of as being open ended in that the benefit structures, once in place, would be paid to all eligible beneficiaries regardless of the overall cost of the scheme. The example of the run on the UIC fund in 1978, when government picked up the shortage during the period of high unemployment, would be somewhat similar to what would happen under a NIT programme. One can note though that the government quickly moved in to change the eligibility criteria to curb the expenditure. The Cree programme is somewhat different in that the benefits must be paid to all eligible beneficiaries in the context of a contract which settled land claims. However, there was an attempt to put a ceiling on the overall cost of the programme by placing an overall limit on the number of man-days which would be reimbursed under the programme. In Section 30 of the Agreement, this limit was set at 150,000 man-days.

After the first year of operation it was evident that 150,000 was

far too few. Overall the Cree claimed about 289,000, almost double the limit which had been considered adequate in the negotiating sessions. The roots of the discrepancy lay in the initial attempts to arrive at estimates of the overall size of the programme at a moment when the data were scanty. We were told that the Cree were working on an estimate of 900 beneficiaries while the government used an estimate of 600. More important, there were two methods of reimbursing man-days under consideration. The government had initially suggested a single payment for the head of the unit, while the Cree wished that there be a separate calculation made for men and women, with a per diem payment adjusted accordingly. It was the Cree position which was decided upon, but, it has been suggested, the matter of adjusting the estimates of man-days was overlooked in the rush of the final negotiations. It was possible to operate the programme for two years without any upward limit and that is what was done. At the end of that period, the Cree presented a position paper arguing that the man-day limit be revised to current levels of usage. The government agreed and the Act sets the annual limit at 286,000 man-days.

It must be noted that although the new limit is quite adequate for the programme at its present level, accommodation would have to be made in certain eventualities. At present, Cree adults spend an average of about 160 days in the bush. Since there are about 1,350 adults covered by the programme, they use about 221,000 man-days. If the number of adults were to increase to many over 1,800 and if they maintained the present average number of days on the land, then the limit of 286,000 man-days would be exceeded. Similarly, if today's

number of adults stayed longer in the bush - more than an average of 215 days - the limit would be reached. More likely is a combination of these two factors, say 1,500 adults averaging 200 days, a situation which would require 300,000 man-days.

There has been no serious discussion of what would happen if the man-day limit were exceeded, perhaps for the reason that no one really expects that to happen. It would seem that everyone is working with unvoiced hypotheses that the present number of hunters will remain about constant, and that the duration of the stay in the bush is about at the level it always shall be. There are good reasons for such a position, for the number of adults on the land is, to a large extent, determined by the number of hunting territories. When the full effects of the James Bay construction are felt, there will be a reduction in the number of territories available, and unless the remaining land is reassigned there will be no place for some of the present beneficiaries to exploit a subsistence economy. Even with redistribution, there is some doubt whether there is much room for expansion. The implication is that the number of hunting groups will remain about the same over time, and since they are now all accommodated by the programme at its present man-day limit, the limitations on participation were to some extent determined by that factor. As for potential adjustments in the event of the man-day average increasing substantially, accommodations to be made would be relatively simple. Either the 240 day maximum might be slightly reduced, or the first X number of days in the bush might be unpaid.

5) Participation of beneficiaries

Finally, there is another important difference between the Cree programme and the experiments. There has been a very high degree of community participation in the design of the Cree programme and, in the operational stage, there are important channels for feedback to programme administrators. As a result of this close cooperation, there have been some changes in the rules of operation and weaknesses were quickly brought to the attention of the Board. There is a strong feeling among the Cree that this is their programme and they feel a responsibility for its efficient and proper operation. This has important implications for monitoring the programme. For example, a few early cases of the abuse which were reported were resolved by community leaders and other participants in the programme who approached the offending parties to insist that they come into line. Formal involvement by the administration was unnecessary. If this close involvement can continue, it will make control of abuse quite manageable in a very difficult monitoring situation. In short, the Cree feel that they have had a say in the design of the Income Security Program and now have a community sense of resonsibility for its continued good operation. This is a rarity among welfare programmes - one designed with the active participation of the potential beneficiaries.

The Income Security Programme in operation

In this section we shall quickly review the implementation phase of the ISP when it operated under a transitional Board. Then we shall look more closely at the administrative structures as they exist today before examining at certain changes which were made in operational procedures in response to certain unexpected field conditions. Finally, we will present the statistical data on the costs of the programme in the first five years of operation. This will complete the presentation of the material needed to discuss the impacts of the programme and an assessment of the design of the programme, which will be the subjects of the following two sections.

1) Implementation of the programme

For a programme of such novel dimensions, the ISP certainly moved from the conceptual stage to an operational level in a very short period and with surprisingly few hitches. In ten months from the signing of the Agreement, the transitional board was established, staff secured from the Ministry of Social Affairs to design forms, to programme computers and to work in teams with Cree officials who concentrated on establishing eligibility lists and interviewing people in the communities. The goal was to have the first payments in the hands of the Cree hunters by early September of 1976, including the retroactive payment for the period from the date of the signing of the Agreement to June 30, the end of the fiscal year of the programme. It was an impressive performance, the more so when it is considered that

the whole operation was financed for $150,000., if that. The Cree share in consultants and staff time was about $50,000; the amount of $100,000. is an estimate of the staff time of the Québec team.

The smooth implementation can be attributed to very close cooperation between the government and the Cree. The existing structures of the Ministry of Social Affairs and the expertise available there for the design and establishment of the administrative machinery focussed upon the head-office procedures, while the Cree used their detailed knowledge of the local situation to sort out the problems of eligibility and the interviewing of the beneficiaries. Overseeing the two teams was a transitional board composed of three Cree and three government officials. Since there was no legal machinery in place until the passing of the Act (1979), Québec arranged for the payments to be accommodated through temporary use of the Social Aid Act.

We should like to stress and underscore that the flexible implementation policy of Social Affairs in getting the ISP off the ground was not a chance event. The policy of the Québec government after the signing of the James Bay Agreements was to use transitional procedures until the legislative packages could be developed and enacted. So there were budgets, consultations between the parties, staff selection and policy elaboration for new agencies very soon after the Agreement was signed, in a sense, maintaining the momentum of that process. The process certainly contrasts with the performance on the Federal agencies. There is little doubt in my mind that had the ISP

been a programme involving the Federal authorities, there would have been no benefits in the hands of the beneficiaries before 1980.

At the community level, the local band councils and the Community Liaison Officers of the Grand Council of the Cree made significant contributions on explanatory and educational levels in the course of their normal work with the people. Without that involve- ment, the task of explaining a programme as new as the ISP would probably have been both time consuming and costly. At the same time, the sense of involvement by local people has set a pattern of local participation in the operation of the programme, a most necessary ingredient for its monitoring, and essential if the local communities are to feel some sense of responsibility for its smooth operation in years to come.

2) Administrative apparatus and management

The programme is managed by the Cree Hunters and Trappers Income Security Board, a special corporation established by the Act creating the income security programme. It comprises six members, three of them appointed and paid by the government of Québec and three by the Cree Regional Authority. The chairman and vice-chairman alternate annually between the Québec government and the Cree Regional Authority.

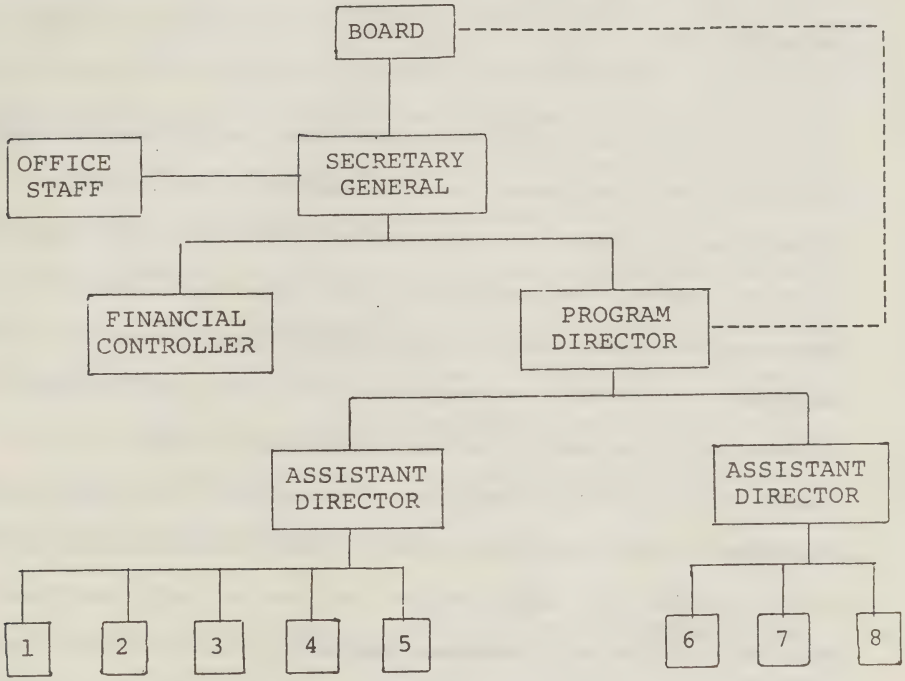
Included in its general supervisory and administrative mandate is a provision that the Board submit its annual budget to the minister responsible for the Act who arranges for transmitting the funds necessary for the operation and administration of the programme. The

personnel who administer the programme are engaged by the Board.

The Head Office of the Board is in Ste. Foy, Québec, where the administrative offices are located. In each of the Cree communities there is also a Local Administrator who deals with the day-to-day relations with the beneficiaries. These Local Administrators are supervised by two Assistant Directors who in turn report to a Programme Director. The organizational chart on the following page depicts how the other sections of the Board are interrelated.

While the Board is autonomous of the government of Québec, there have been close ties between the administrative operations and the Ministry of Social Affairs, from which the government has always named its representatives. Most of the headquarters staff who ran the programme for its first five years were seconded from the Ministry and remained Québec civil servants. Today these staff members are Board employees and the separation from Social Affairs is much more distinct. However, the Ministry still provides the computer services for the processing of cheques and files. For the first years of programme operation the administration and operations of the Programme tended to be co-opted by the Ministry. For example, the offices used by ISP in Ste-Foy were in the same space as the Social Aid office which served the people of northern Québec. The fact that during this transitional period the staff were still members of the Social Affairs civil service, who worked in an operation directed by a Board half of whose members were also employed by the same agency, and under whose direction they might eventually find themselves working, naturally

CREE HUNTERS AND TRAPPERS INCOME SECURITY BOARD



Local Administrators of:

1. Great Whale River
2. Fort George
3. Paint Hills (Old Factory)
4. Eastmain
5. Rupert House

Local Administrators of:

6. Nemaska
7. Waswanipi
8. Mistassini

tended to produce an atmosphere where the norms of the Ministry would be given a certain pre-eminence. With the development of the autonomous structure in 1981, following the promulgation of the Act, the Secretary General's position was filled from outside the public service, which will probably lead to some change in philosophy in the adminstration.

Technically, of course, it is clear that the Act does not require that the Québec board members be either members of the Ministry of Social Affairs or civil servants; similarly the Cree are not required to choose from their own employees or from Cree people. Since the beginning though, both parties have filled the positions with their own employees. As a result the two groups in the Board, tend to have an adversary role, the one protecting the interests of civil service or government, the other focussing mainly on the Cree. One might further generalize to state that the interests of the Cree members tend to be focussed on the field operations, in that they get criticism directly from the beneficiaries. Government members, on the other hand tend to have closer interests in the bureaucratic dimensions of the programme, a situation in which the Cree group tends to seek expansion in interpretations of regulations while the government people tend to seek a narrowing of interpretation.

Such a forum is not a simple one to manage especially if one adds two other dimensions: language and ethnic composition. The meetings of the Board are in English and French, though since the Cree members speak little or no French, the work is normally in English, a matter

which creates some tensions in an officially French province. On another level, the clientele of the programme are for the most part unilingual Cree who can be dealt with only by Cree members, (who are bilingual in Cree-English). At the same time interaction with government must be in French. When one adds to this the reality of normal Indian-White inter-ethnic tensions and uneasiness, one has the preconditions for some rather cautious encounters around a management table. The potential for conflict in such a situation is tempered by the institution of a rotating chairmanship where the Cree and government alternate the positions of Chairman and Vice-Chairman each year. This alternates the majority on the Board between the parties, as the Chairman is left with the tie vote. In practice, the report is that the forum has worked relatively smoothly over the years and it certainly has managed to develop the necessary machinery to evolve a programme which works well in the field.

During the first five years, most of the Board's deliberations related to the establishment of operational procedures - by-laws and internal regulations - and to interpretation of borderline cases which came to light as field experience produced situations which had not been foreseen. The provisions of the Act were also hammered out, which, it might be mentioned, was able to take into account the second thoughts of both Cree and the Government on the major matters of the man-day limit and the special $2.00 per diem payment, which was considered difficult to administer. The development of the Act while the programme was operating under provisional accommodations under the Social Aid Act permitted the field experience of the first few years to

be used in refining definitions of certain activities - i.e. what comprises a day spent in harvesting and related activities, or the effect of spouses' wages or part-time work on per diem calculation. Reactions from the government people and the Cree would suggest that both are satisfied with the final form of the Act and with the internal regulations which were devised.

The remainder of the administrative apparatus is quite straightforward. There is a local field staff - the local administrators - who are selected from a list submitted by the band council of each community. This provision retains some of the local involvement with the administration of the programme which characterized the implementation stage. These staff members are supervised by the regional directors. Local administrators interview the beneficiaries in July and early August of each year to collect the information on the precise man-days spent in harvesting and on the amount of income the beneficiary unit received in the previous year. At the same time, the estimates for the following year are made, to form the basis of the first payments to the beneficiary. The first payment in September is adjusted for any underpayments or overpayments of the previous year. In January, April and June the beneficiaries are sometimes interviewed quickly to assess any changes in the estimates made in the previous summer so that adjustments can be made. This information is processed in Québec, where the cheques are issued.

In essence then, the Cree hunters make what would be the equivalent of an income tax return (through the Local Administrator)

each summer and, on the basis of that and certain follow up information, the benefits of the programme are calculated. Provisions under the Act provide for penalties for fraudulent claims. In practice there have been no prosecutions, though there are many instances of overpayments being reclaimed. This was especially so in the first year of operation, when many people started on the programme, received their initial benefits, but dropped out of the programme before they had fulfilled the eligibility criteria. In such cases, the outstanding amounts are retained on record, and if the beneficiary unit wishes to be covered by the programme in a later year, the overpayment is then reclaimed before benefits are paid. The crosschecking or auditing of a beneficiary's claim is not difficult in the case of local employment - for example, with the band - or in the case of other transfer payments. It is, however, most difficult to imagine a close monitoring of the man-day claim of a beneficiary who did not use a chartered aircraft to come and go to his hunting territory. This feature of the programme, then, operates on a confidence that the beneficiaries are truthful and report accurately. We shall return to a discussion of the difficulties of monitoring the man-days of beneficiaries in our later discussion of the design of the programme.

3) Statistical review: The first five years

The first complete year of operation of the programme ended on June 30, 1977. The 1975-76 year was a retroactive one, covering the period from the signing of the James Bay Agreement (November 11, 1975)

to June 30, 1976. Actual interviewing for eligibility under the programme began in June 1976. And three hundred and four beneficiary units who had not hunted sufficiently long in the previous year to have gained eligibility were permitted to register under the provisions of Agreement which allowed, in that first year, access to the programme to those who simply declared it their intention to meet the eligibility criteria in the subsequent year (1976-77). This exemption from the criteria was effective only for that year. For statistical purposes, the fully comparable data are those for the fiscal years from 1976-77 to 1980-81.

In the following pages seven tables (Tables 10 to 16) are presented to set out the basic record of performance of the Cree programme. Unless otherwise noted, they were generated from the raw statistical data produced by the Income Security Board and by the Cree, whose generosity in permitting access to unpublished material is acknowledged with appreciation. Some of the figures have appeared in the first Annual Report, but are organized somewhat differently for our purposes (Cree Hunters and Trappers Income Security Board 1978-79).

The most basic measure of performance of the programme would, of course be the number of people covered by it. In Table 10 we see that there were 875 beneficiary units covered by the programme in 1981. This is a lower number than the 979 who received benefits the first year the programme was in full operation, a decline of 11%. Actually the drop-off in beneficiary units was given higher, because in September 1976 a total of 1,021 beneficiary units were registered.

TABLE 10

Level of participation in the Cree
Income Security Programme 1975-76 to 1980-81

	75-76	76-77	77-78	78-79	79-80	80-81
No. of beneficiary units	695	979	893	900	838	875
Adults covered	No data	1,646	1,482	1,478	1,353	1,372
Children covered	No data	2,400	2,190	2,086	1,758	1,722
Total ISP population	No data	4,046	3,672	3,564	3,111	3,094
Estimated population		6,348	7,046	7,036	7,390	7,600
Percent of population covered by the ISP		64%	52%	51%	42%	41%

Note on population data

The only population figure which is produced with some level of confidence is that for the 1979-80 year. Prior to this, population estimates came from Indian Affairs, which did not include the Métis or non-status people living in the Cree communities, and are presented with some caution. The source of the 1979-80 population is the official Régistre des autochthones, which is compiled to enumerate the beneficiaries of the James Bay Agreement. It does include the Métis and non-status Indians. Neither list is an accurate measure of the on-reserve population. The population data for the years 1976 to 1978 were published in the Annual Report of the Income Security Board.

Of these, 42 either dropped, or were dropped from the programme by the end of the first full year and if they received benefits, were not entitled to them. In 1975, prior to the offical registration for the programme which took place in the summer of 1976, there were 695 beneficiary units in the Cree region who had been in the bush long enough to be eligible for the "retroactive" period. These could claim benefits for the time between November 11, 1975 (the day the Agreement was signed) and the 30th of June, the end of the fiscal year of the programme. Officially, the Annual Report of 1978-79 reports that 304 of the beneficiary units who were registered by September 1976 were included on the lists by virtue of their claim that they inteneded to hunt, fish and trap as a way of life, even though they had not spent sufficient time the previous year to be eligible under the normal criteria. To get a sense of how many people were attracted to the new programme initially however, we have to look at three figures: the 695 beneficiary units who were on lists in September 1976; the 1,021 who were on the lists in September 1976; and the 979 who actually got benefits for the 1976-77 year. The net gain in th period between the winter of 1975 and the end of the 1976-77 season was actually 284 beneficiary untis, a gain of 41%.

The sharp drop-out rate suggests that a considerable number of the 1,021 beneficiary units of 1976 may have registered in the programme with some unrealistic expectations. Before the fiscal year ended, 42 beneficiary units (4%0 either retires from the programme of their own volition of were struck from the lists because they could not meet the eligibility criteria - mostly the provision relating to minimum man-

days. In the following year, 86 beneficiary units (about 9% of those who were left at the end of the 1976-77 fiscal year) had also left the programme. Since then, the numbers have stabilized although there is a further drop to 838 beneficiary units in the 1979-80 fiscal year, rising to only 875 in 1980-81. However, the fluctuation of the last two years is largly the result of many of the people from Fort George temporarily leaving the porgramme to work on community relocation and construction in which all available manpower was required. That project was winding down during the latter part of 1979-80 and was completed in the summer of 1981. It is likely that the ISP beneficiaries will swell the lists to about the 900 level, perhaps by 1981-82.

Table 10 also can give some indication of the percentage of the Cree population covered by the Income Security Porgramme. As the note on the table indicates, there is some problem in establishing with any precision just what the local population of the Cree communities would have been in the years under consideration. No accurate recording of resident and non-resident population is made in the region. There is the further problem of accounting for the non-status and Métis people who live in these communities, and who, under the terms of the James Bay Agreement, are eligible for inclusion under this programme. The data in Table 10 come from the Annual Reports of the Income Security Board, and they are used, not because they are more accurate than others, but because they probably are as good as any. We have calculated participation rates of 41% to 52% in the recent years, but if we were to estimate the participation rate of the resident

population, it would be about 10 points higher. This would suggest that current participation rates would run at about 50% of the resident population.

The 1978-79 Annual Report of the Income Security Board has provided some estimates of the proportion of the population covered by the programme in each of the communities served (p.36). The range is from a low of 34% in Great Whale River to a high of 70% in Nemaska. It should be stressed that their population estimates are problematic and the figures are perhaps best taken as an indication that there is a variation from community to community.

Table 11 shows the family size of the beneficiary units. We have included data for September 1976 and 1980 in order to compare the compositions to determine what size of family has dropped out. One notes that about a third of the beneficiary units are single people, a proportion to the whole which has remained about the same. The families, though, are quite large. Almost 300 families registered in September 1976 had four or more children. In June 1980, there were still 211 families of this size on the programme, a significant number, but almost 30% fewer than when the programme began. As a percentage of beneficiary units, families of four or more children comprised 29% of the total in 1976; by June 1980 they comprised only 25%. Clearly, attrition from the programme was proportionally higher among the larger families. We shall comment on possible reasons for this in our discussion of the design of the programme. For the moment we will say only, that, in our opinion, there is a relationship between rate of

TABLE 11

Composition of the Beneficiary Units
of the Cree Income Security Programme
September 1976 and September 1980

Composition of the Beneficiary Unit			No of units registered in September 1976	% of total Units	No. of units registered in September 1980	% of total units
Adults		Children				
1	+	0	327	32.0%	290	36.2%
1	+	1	27	2.6%	26	3.2%
1	+	2	12	1.2%	8	1.0%
1	+	3+	16	1.6%	5	0.6%
2	+	0	64	6.3%	73	9.1%
2	+	1	97	9.5%	81	10.1%
2	+	2	90	8.8%	58	7.2%
2	+	3	93	9.1%	63	7.9%
2	+	4	74	7.3%	47	5.7%
2	+	5	62	6.1%	44	5.5%
2	+	6	57	5.6%	41	5.1%
2	+	7+	102	10.0%	66	8.2%
Totals			1,021	100.0%	802	100.0%

TABLE 12

Total benefits received from ISP and welfare by Cree hunters
1975-76 to 1980-81

Community	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Mistassini		$2,004,007.	$1,897,828.	$1,983,153.	$1,992,959.	
Fort George		$ 913,465.	$ 820,445.	$ 930,617.	$ 721,429.	
Rupert House		$ 531,523.	$ 485,812.	$ 488,429.	$ 519,098.	
Waswanipi		$ 562,818.	$ 572,194.	$ 614,774.	$ 687,533.	
Paint Hills		$ 471,819.	$ 541,052.	$ 581,226.	$ 505,201.	
Eastmain		$ 213,232.	$ 201,289.	$ 195,488.	$ 216,425.	
Great Whale River		$ 190,856.	$ 163,312.	$ 187,651.	$ 215,546.	
Nemaska*			$ 249,645.	$ 290,111.	$ 288,011.	
Total	$1,965,716.	$4,887,720.	$4,931,577.	$5,271,449.	$5,146,202.	$6,046,173.

* Payments made to beneficiaries in the community of Nemaska were included in the totals for Mistassini and Rupert House for the years prior to 1977-78. A new community was set up near the site of the former village which had been abandoned some years earlier.

Note: The figures in this table represent the amounts due to the beneficiaries under the ISP before any deductions were made for welfare payments which a few beneficiaries collected during the year. Had these welfare payments not been collected, the beneficiaries would have received the amounts which are included in these totals. They did receive the equivalent amount of money, though a small amount came from a different source.

TABLE 13

Calculation of total gross income of ISP beneficiaries from declarations of beneficiaries and gross income per capita adult and per beneficiary 1975-76 to 1980-81

	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total ISP benefits	$1,965,716.	$4,887,720.	$4,931,477.	$5,271,449.	$5,146,202.	$6,046,173.
Total declared income, including fur sales	$ 847,050.	$2,159,596.	$2,215,391.	$2,489.356.	$2,608,296.	$2,773,157.
Total gross income	$2,812,766.	$7,057,316.	$7,146,968.	$7,760,805.	$7,754,498.	$8,819,330.
No. of beneficiary units	695	979	893	900	838	875
Average gross income per b.u.	$ 4,047.	$ 7,208.	$ 8,003.	$ 8,623.	$ 9,254.	$ 10,079.
Average ISP benefit per b.u.	$ 2,828.	$ 4,993.	$ 5,522.	$ 5,857.	$ 6,141.	$ 6,910.
% of gross income from ISP benefits	70%	69%	69%	70%	66%	69%

attrition of larger families and the adequacy of the benefits.

In Table 12, we have set out the available data on the amounts of Income Security benefits paid out from the beginning of the programme to June 30, 1981, the end of the fiscal year 1980-81. Approximately $5 million a year was paid each year until 1980-81, when the total slightly exceeded $6 million. The breakdown by community has been given, where available, for general information; the data are not particularly germane to our analysis. Of more significance are the data set out in Table 13. Here we attempt to reconstruct gross incomes per beneficiary units and to establish the importance of the Income Security payments in the economy of the hunters.

When the beneficiaries are interviewed, they provide the Board with information on their other income - wages, fur sales, handicraft sales etc. This is totalled in certain Board statistics from which one can determine the total outside income of the beneficiaries. We provide this detail in Table 13. We note from that table that about 70% of beneficiaries' gross income comes from the ISP benefits, a percentage which has remained about constant over the years. The average ISP benefit has risen from $4,993 in 1976-77 to $6,910 in 1980-81, an increase of 38%, which is higher than the 33% increase in the benefit level resulting from indexation in the same period (Basic amount for head of unit 1976-77 $1,158, for 1980-81 $1,536.) This increase is a result of people staying longer in the bush, the data for which we shall look at presently.

In 1980-81, the average gross income per beneficiary unit was $10,079, up 40% from $7,208 in 1976-77. Comparing the Cost of Living Index for the same period (January 1976 with January 1981) we find that it rose from 145.1 to 224.1, an increase of 54%. This would indicate that notwithstanding the increases in the ISP benefits and in the gross income of the beneficiaries, the Cree seem to be falling behind the cost of living by a considerable amount. To have kept up with the cost of living, the Cree would have needed an average ISP benefit rise from $4,993 to about $7,689 between 1976 and 1981. In terms of actual purchasing power of the Cree hunters, which one might represent by the gross annual income, they would have needed a 1981 level of about $11,100 to have purchased the goods and services which their average gross income provided in 1976. With an average gross income of only $10,079, they lost about 10% of their purchasing power.

It is possible for us to refine the data on total family income of Cree beneficiaries by including the value of federal and provincial Family Allowances and the amount of Old Age Security payments received by beneficiaries. Since we know the number of each size of family and the rates of the Family Allowance benefits, a quite close estimate can be made of the total received by the beneficiaries; without the ages of the children it is not possible to include the value of the extra payment provided for children over eleven under the Québec programme, but that amount would not be significant in our estimate. For 1979-80 the year for which we have the raw data available, we estimate that the total Family Allowance payments were $1,050,000 and that the pension income was approximately $93,000. For the beneficiaries the family

incomes would have been as follows:

From Income Security	$5,146,202
From Family Allowances	$1,050,000
From Pensions	$ 93,000
From Wages and Furs	$2,608,296
Total Family Income	$8,897,498

For the 838 beneficiary units (families and independent single people), the average income would be $10,618 for 1979-80. For 1980-81, it is likely that the average would be in the $12,000 range.

If we recall the data presented in Table 3, where the 1981 imputed value of bush food was calculated at $5,323,918, there is obviously a value there which should be imputed to the averages above. If one accepts that the intensive hunters who are covered by the Income Security Programme take about 60% of that total, one can suggest an imputed value of about $3,800 per beneficiary unit. A conservative estimate then would attribute a total average income (imputed, transfer payments, wages and fur sales) at between $15,000 and $16,000.

In Table 14 we take the data from the communities with the highest and lowest average ISP payment to compare them with one another and with the total for the region. The averages per beneficiary unit are the data of most interest to us here. One immediately notes that not

only is the average ISP benefit in Paint Hills some 32% lower than that of Mistassini and 22% lower than that of the region as a whole, but that the average gross income also is considerably lower. At the same time, the other income of both communities is about the same. The reason for the differential can easily be seen in the number of man-days the people of each community spend in the bush. In Mistassini the average is 333 days per beneficiary unit, while in Paint Hills it is 230. The impact of the higher average is evident when one examines the way the total ISP payment is broken down between the per diem payment (the benefit for the man-days) and the guaranteed amount. In Table 15, we have shown how the total ISP payment has been divided over the years, and from it we see that around 80% of the total payment is accounted for by the per diem. Obviously when the man-day average is increased significantly it will greatly effect the total payment received. True, there is a reduction of 40% from the guaranteed amount for the additional benefits in man-days, but at least 60 cents of each dollar is retained. The reality of this is not lost on the beneficiaries who, in the most recent year, have spent considerably more days in the bush; as Table 16 shows, the overall average per beneficiary unit rose sharply from 292 in 1979-80 to 313 in 1980-81.

It should be reported here in passing a matter which will be treated in detail later - that the opportunity to spend days in the bush is not equal in all the communities. In a community like Mistassini, it is not unusual for people to spend up to seven or eight months on the land. On the coast, where we find Paint Hills, the pattern of hunting is determined by their dependence on waterfowl,

TABLE 14

Comparison of communities with the lowest and the highest average ISP benefit in 1979-80 with all communities in Cree region. Paint Hills (lowest) and Mistassini (highest)

	Paint Hills	Mistassini	Total Cree Region
Population	736	2,014	7,390
Percentage of population covered by the ISP	49%	56%	42%
Total ISP benefits	$ 505,201.	$1,992,959.	$5,146,202.
Guaranteed amount portion	$ 81,987.	$ 350,261.	$ 886,524.
Per diem portion	$ 423,214.	$1,642,698.	$4,259,678.
Fur income	$ 117,984.	$ 149,356.	$ 641,791.
Wage and other income	$ 249,921.	$ 712,571.	$1,966,505.
Total income	$ 367,905.	$ 861,927.	$2,608,296.
Gross income (ISP benefits plus total income)	$ 873,106.	$2,854,886.	$7,754,498.
Total man-days in bush	24,336	94,462	244,947
Averages per beneficiary unit			
Per diem	$ 3,993.	$ 5,784.	$ 5,083.
Guaranteed amount	$ 773.	$ 1,233.	$ 1,058.
Total ISP benefit	$ 4,766. (58%)	$ 7,017. (70%)	$ 6,141. (66%)
Other income	$ 2,358. (29%)	$ 2,509. (25%)	$ 2,347. (25%)
Fur income	$ 1,113. (14%)	$ 526. (5%)	$ 766. (8%)
Gross income	$ 8,237.(100%)	$ 10,052.(100%)	$ 9,254.(100%)
Man days in the bush	230	333	292
Per capita gross income based on percentage of population covered by the programme	$ 2,421.	$ 2,531.	$ 2,498.

TABLE 15

Percentage of total Income Security benefits coming from the per diem payments and from the guaranteed amounts 1976-77 to 1980-81 (Amounts in thousands of $ to nearest $1,000)

	1976-77 Amount	(%)	1977-78 Amount	(%)	1978-79 Amount	(%)	1979-80 Amount	(%)	1980-81 Amount	(%)
Total per diem	$ 3,716	(76%)	$ 3,846	(78%)	$ 4,238	(80%)	$ 4,260	(83%)	$ 4,964	(82%)
Total guaranteed amount	$ 1,171	(24%)	$ 1,085	(22%)	$ 1,034	(20%)	$ 887	(17%)	$ 1,082	(18%)
Total ISP benefits	$ 4,888		$ 4,931		$ 5,271		$ 5,147		$ 6,046	

TABLE 16

Time spent in bush by Cree beneficiaries of the Income Security Program 1975-76 to 1980-81

	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total man-days remunerated under ISP	111,347	261,715	261,285	261,835	244,947	273,653
No of beneficiary units (b.u.)	695	979	893	900	838	875
Days per b.u.	160	267	293	295	292	313
Total adults in ISP programme		1,646	1,482	1,478	1,353	1,372
Days per adult		159	176	180	181	199

especially geese, the hunting of which involves more frequent returns to the community base as people move from inland to the coast in season. This differential opportunity raises some questions of design of the benefit structure, a matter we shall discuss after we have looked at the effect of the Income Security Programme in the Cree communities over the past five years.

Impact of the Income Security Programme

If, as we have suggested at the beginning of this report, the Cree sought in the Income Security Programme one of the three principal tools needed to support the subsistence economy on the local level (a land base with access to animals, and the environmental regime being the others), one would first have to measure its impact by the degree to which it has met this fundamental goal. If the maintenance of the subsistence harvest can be said to have depended on the need for a rational subsidy, then certainly there is a good basis for suggesting that the programme has provided that condition. The results are unequivocal. The programme initially attracted many families to the bush, perhaps about a third more than had been intensively hunting in the previous years. As we have noted, the majority of these have stayed with the programme. One can speak of a rise from about 700 family units to about 900.

It should be stressed however, that these people or families who have returned to intensive subsistence hunting had only recently been following that same cultural pattern. One would have found the majority of them active in the late 1960's and early 1970's, when it was the economic pressures which forced many from the bush. So while it is too optimistic to conclude that the ISP resuscitated, or in some way revived, a cultural pattern which was in its twilight years, it is quite certain that the ISP in conjunction with other policies developed in the Cree area has staved off further erosion

and has turned around a steady decline in the subsistence sector of the local economy which had persisted for the last three decades.[1]

At another level, it can also be said that the programme has had a very special impact in extending the duration of stay in the bush by the subsistence hunters. There had definitely been a tendency for people to spend shorter periods in the bush in the 1960's and early 1970's, and it was evident that a pattern of returning to the community around Christmas and of not returning to the hunting territory in the early months of the new year was developing. This development was related to the high cost of transport, for while there was trapping in late winter, it was not as profitable as that of the late fall and early winter, the period when most of the fur is trapped. We note that the average time spent in the bush has been increasing (Table 16), and although we do not have precise data available, we do know that an important number of the beneficiaries are spending well over 240 days (8 months) in the bush, and that the people who used their new resources to upgrade their base camp on the territory spend even longer periods on the land.

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1. Several readers of the draft of this paper, and others with whom I have discussed the Cree, ISP, have questioned me on whether the increased number of hunting families in the bush has had an untoward effect on the animal populations. I am not qualified to evaluate the conflicting claims of sports hunting lobbists, biologists and the hunters themselves. I can only report that the Cree authorities monitor this area carefully together with the heads of the hunting territories and in conjunction with government officials. For their part, the Cree express some degree of confidence in their experience and ability to husband the valuable animal resources both for this and perhaps especially for the future generations.

This upgrading of the base camp has been more possible since the introduction of the skidoo and its widespread use, even in camps where both machine and gasoline have to be airfreighted to the territory. This innovation has vastly extended the geographic range of the hunter. Where formerly it was usual to build the major base camp in the fall, occupy it until about mid-January and then relocate to another section of the hunting territory, moving again with the spring waterfowl hunt, the introduction of the skidoo has made the mid-winter migration unnecessary on many territories. It was also the custom to rotate the location of the base camp on a hunting territory every year or two, in order to exploit a different sector each year or so. Now, with the range extended by use of the skidoo, it is possible to operate out of a central base camp year after year and to depend on the new form of transportation to cover the whole territory in rotation. Concomitantly, people are now spending a good deal more effort in upgrading the central base camp, using the same one year after year and for longer periods each year. One now sees some substantial log houses with wood floors, whereas previously the canvas covered bermed winter lodge with its spruce bough floor was the norm. This pattern seems to be spreading in several communities.

This pattern occurs mainly on the hunting territories which are not accessible through the new network of roads being developed in the region as a result of the construction works of the James Bay Project. In areas where there is road access to a hunting territory, the pattern which has developed since the introduction of

the programme is somewhat different. There the tendency seems to be one of setting up the camp quite close to the highway, whence the hunting family can make frequent visits to town or to the home community throughout the trapping season. (Another Cree programme has provided many of the hunting camps with two-way radios, which makes the ordering of ground transportation quite simple.) In this situation there appears to be a new pattern of mobility, while the pattern of remaining more or less isolated in a remote central base camp is clearly changing. Some hunters even use 4-wheel drive vehicles and the phenomenon of "corridor hunting" is developing. (Corridor hunting is the exploitation of a broad strip on either side of the road). It is doubtful whether such people could have had the level of mobility needed for such an approach to hunting in the Cree area were it not for the availability of the cash from the ISP benefits.

In one other dimension, the ISP seems to have some effect on the arrangements surrounding bush life: the composition of the hunting groups. As we noted in the early part of this report, there had been a gradual decline in the number of spouses and children going to the bush in some communities (Scott 1978). This was particularly so in the coastal villages, where as we noted the income per capital was lower and there were fewer opportunities for summer employment. The Cree sought the separate per diem payments for the women in order to encourage the pattern of hunting in family groups. Feit & Scott reported that in the first couple of years of the programme more spouses and more children went to the bush (1978:

40 to 56 passim). But data on how long the spouses stayed were not presented. In fact, there are still no complete data on this issue, although we do have a reasonably good indicator in a calculation made by the ISP in the third quarter of 1979-80. Then, with about 90% of the man-days accounted for, the breakdown for all communities showed that for every 100 man-days the husband of a family stayed in the bush, the wife spent 84 days on average. However in the coastal communities we find that for every 100 man-days for the husband, the spouse spends 68 days on average (in Paint Hills, the community from which Feit & Scott draw their main data, only 66). In the inland communities, on the other hand, the average is fully 97.

In the absence of any comparable data from the period prior to the implementation of the programme, interpretations of the meaning of such data must be presented with some caution, but we think that they do not necessarily bring Feit and Scott's observation into doubt. For one thing, the situation in the coastal communities may have been much more dramatic prior to 1975. For another, the significant differences between the coastal and the inland communities would as easily be explained by fundamental differences in hunting patterns. It is this latter explanation which we think more likely.

Obviously the situation of many parents being in the bush, far from the schools which their children attend, presents some difficulties for the school authorities who now provide the accommodations for the children of hunters. Prior to 1970, most of

the children went to residential schools in the south. Now all the children attend elementary school in their own village while the high school children have a residential school at Fort George. It is the situation of the elementary school children which interests us. Children of families who are in the bush are boarded in hostels in their home community or they live with families who receive an allowance from the school board for each child staying with them throughout the school year. With limited hostel space there is a great demand in some communities for homes in which to board children, a situation which is exacerbated by the fact that about at least half the residents are on the land. The problem is less one of overcrowding than one of supervision of the children of the hunters while they are in the the bush. Notwithstanding that many of the children are boarded with relatives, they seem not to get the kind of attention in supervision of school work that they would receive from their own family. Clearly there are great responsibilities and demands placed on a couple which is looking after four school age children along with four of their own.

Schools officials and teachers who discussed the issue with us reported that, on average, the children of hunters seemed to be lagging somewhat behind the performance of other students. Part of the difficulties must be traced to the high birth rate which forced an extremely rapid expansion of the school system, which is still struggling to develop special remedial programmes. But the situation of the hunters' children places a greater burden on the school system, in that many come in to the school a year later than

those who have been in kindergarten (they have been in the bush with parents), and frequently know no English. As a result, the children of the hunter population tend to read a few years behind their fellow students and their drop-out rate is higher.

The implications of this situation for the education level of these children in another decade are obvious. Objectively, they will be less prepared for the wage labour market than their age cohorts. On the other hand, they will probably have a better grasp of the nature of bush life because they will have spent more time on the land, during visits, or even for a whole year on some occasions, and thus will be well suited to follow the life on the land. But the problem will relate to whether there is space on the land. The implications of this reality will only begin to be felt fully in about another decade. By then most of the 1,700 or so children of today's hunters will have started to make decisions on whether they want to be hunters. By then, perhaps about 500 of the adults now covered by the programme will have retired by attrition or death. If, as we suggested earlier, the upper limit on programme beneficiaries is related to the number of hunting territories available, and to some extent by the man-day limit which is set by the Act, there will be place, we think, for no more than about 1,000 beneficiary units or about 1,600 adults. With 500 of the approximately 1,400 adults now covered by the program retiring, there would be place for a maximum of about 700 new adults by the early 1990's. Even if man-day limit were to be negotiated upwards, we think that the number of hunting territories might be as sharp a

limit, in that by then, the expansion of the James Bay Project will have destroyed an undetermined number of territories, and in any case, even a reorganization of the hunting territories - something which some Cree hunters have already begun to oppose - would not accommodate the numbers involved in the expanding population.

Without forgetting that we are discussing this in relation to the implications of the educational situation of the children of Cree hunters, we present some data drawn from Cree sources. In 1976 there were just over 2,700 Cree children aged between 5 and 20. By 1991 most of these will have entered the labour market or will have made their decision on registering for the ISP. A fair estimate would be that about half that group are the children of today's hunters, that is about 1,350. With place for only about 700 new adults in the programme by that time, the implication is that about 650 will have to make their future in the wage labour market. By 1996, about 500 more of the hunters' children will have reached twenty years of age (half the 1976 age cohort under five, which numbered 1,041) and will want jobs. We think that most of these children simply will not be able to accommodated under the ISP, and will have to attach themselves to the wage labour market, where the competition will be high. In such a scenario, we see that the children of today's hunters will be at a significant disadvantage, largely due to their level of education.

There is the paradox of the very success of the programme in attracting numbers of Cree into bush life having the effect of

placing some significant obstacles in the way of their children. This is a situation which, through special programmes, can be mitigated. It is also one of the areas where careful monitoring and special programmes can avoid the situation where short-term benefits of the programme are offset by longer-term social costs.

It is difficult to comment on the impact of a very rapid and significant rise in the per capita income of a group in other than an impressionistic way. These are no more than observations on the way in which the new windfall is spent. Although we can see such things as capital goods and in a general way, note the clothing of the children or the shopping baskets of the people, we cannot, without detailed and extensive interviewing, get a very sound idea of changes in spending patterns. Certainly the amount of additional income deriving from the programme was substantial when compared with the situation in the early 1970's. As we noted in Table 5, the per capita income of the Cree region was about $918 a decade ago; in 1981 dollars that would be about $2,000. Since we have included all transfer payments, wage labour and the imputed value of bush food in the 1971 figure, we must take the comparable figures of income per beneficiary unit which was calculated on page 86 and convert it to a per capita income based on the total population covered by the ISP. This gives a 1981 per capita income of about $4,600. The two figures are not strictly comparable in that the 1971 figures include the whole population at a time when the incomes of hunters would have been much lower than wage earners, but it is certainly conservative to suggest that the per capita income of hunters has

more that doubled in constant dollars over the last decade. The simple question of an observer of the ISP would certainly have to be. "Was such an increase put to any good use?"

Such a question is difficult to address because the spending pattern of each family varies greatly along many dimensions. It concerns the number in the family, the age of the person, the community that one lives in, the luck of an individual, whether one has to support relatives, the distance to the family hunting territory, the state of health of the person, etc. In short, it would be difficult indeed to set up a typical Cree hunter. One thing we can venture, though, is that the greater portion of the benefits is spent on two major items - transportation and capital equipment for the hunt. In the first year of operation of the programme, the Cree estimated that about $1 million dollars was spent in air charter alone. Besides that, there were other expenditures on land transportation which were not even calculated. Taken together with the massive investment in skidoos - close to 1,000 were purchased in the first year alone - and the significant cost of air-transported gasoline, one can estimate a total expenditure in the order of $2.5 millions. In subsequent years, while there was a reduction in the skidoo purchase, there were investments in canoes, boats, and outboard motors, to account for only the major items.

While some of these items last a number of years, the replacements and repair now become part of normal recurring

expenditures. Moreover, skidoos especially create the demand for very significant investments in gasoline in an area where the price per gallon was running in excess of $3.00 (or over 67¢ per litre) in some communities. In fact, the energy crisis of North America has hit the hunters particularly hard in that the cost of the capital items they now need to replace has risen well in excess of the cost of living, as the elevated petroleum prices work their way through the economy. A $900 skidoo in 1976 cost $1,950 in 1981; air charter rates had risen so frequently that most people could not estimate the increase from five years ago (for one type of plane in one community, the rate was about $1.40 per mile plus a surcharge of about $0.55 per mile for gas in 1980; in the autumn of 1981 it was $1.55 plus a surcharge of about $1.10 per mile); the price of traps, nets and ammunition take a larger share of a budget as their prices rise disproportionally to the cost of living.

We think that the "windfall" aspect of the retroactive payments was the main stimulus for spending on a range of capital items which now create a continued demand for their servicing or replacement. The same windfall encouraged some trappers to buy vehicles which are expensive to maintain and to operate in that region. People told us of impulse buying of capital equipment - generators or large outboard motors - when the large quarterly cheques arrive, all of which entail the future expenditures on repairs and the replacement of what soon becomes an indispensable item. Over all, it would not be much of an exaggeration to claim that a full half of the disposable income is spent on capital equipment purchases or repairs

and transportation in general. Those who are not obliged to spend as much on transportation appear to purchase more capital goods, so that the general estimate of half disposable income expended on these items would hold overall.

Over the past five years there has been a major housing construction programme in most Cree communities. The rental of these now becomes an expense, as does the cost of furniture and appliances. These were new expenses in that most Cree hunters lived in crowded conditions, many in tar paper shacks and canvas covered seasonal houses which were not occupied in winter while they were in the bush. The family who has a house now faces monthly rentals which can range from $100 to $200, heating bills for houses designed to be heated with electricity, telephone bills, etc. Those who return to the villages after the fall hunt, returning only in spring for the waterfowl hunt, face significant heating bills in the coldest part of the winter. This is new expense, and there is some evidence that people find it difficult to meet the payments which minimally total $2,000 a year.

In discussions in the villages, it seemed that the problem related to these new expenditures was one of budgeting. With quarterly payments, one has to think ahead to be sure that there is money for rent, hydro, food and enough left for equipment repairs and the outfit needed to get back to the bush. In fact, many do not manage and there is evidence of a significant debt load in the communities. The view taken here is that this debt load is neither

a significant nor a nefarious problem. Certainly we do not consider it to be any indication of the adequacy or inadequacy of benefits provided by the programme. And this, we would argue, notwithstanding the fact that the question of debt has always formed part any discussion of the fur trade in Canada's north, where the subject has usually been treated in terms of the negative impact of the constant debt and the dependence which it engendered with the fur trader.

The fact that ISP payments were designed to be distributed in advance, it would seem, was justified in that they would free the Cree people from the burden of debt. In practice, it may have been the case that the combination of the retroactive and the quarterly advance payment in the first year did free some Cree people from debt in that particular year, but since then, there is good evidence that the older pattern of annual indebtedness has remained a significant feature of Cree life.

It might seem paradoxical that an income security scheme was being designed to free hunters from the burden of debt when, on the face of it, one might question whether any primary producer can now operate without a line of credit - for such was the sort of debt that the Cree were assuming each fall. And it might also be questioned whether it was even possible to consider the Cree operating in the cash only economy with the normal demands for new equipment like new skidoos or motor cars. Beyond that, the traditions of the Cree had, in fact, placed some considerable

importance on the level of debt that a man was extended by the trader. People viewed the granting of a large line of credit as a manifestation of confidence in the hunting abilities of the hunter. On the other hand, the granter of credit only extended credit to people to the limit of what, in his consideration, was their ability to repay. With merchants aware that the new ISP produced a situation whereby the potential for repayment was increased because a government cheque was arriving, it would be unusual if the situation would lead to a reduction of the debt load. There is little doubt that the overall debt load of the Cree has increased somewhat, and we think on the basis of several interviews that the new level of debt more or less corresponds to the amount of a quarterly payment of the beneficiary. If this is the case, there could be a debt load in the range of $1.5 to $2 millions in the Cree region - on the part of the hunters alone.

For all the new equipment which has become part and parcel of the life in the bush over the past five years, the capital items of which we have spoken are those which have tended to reduce the drudgery of daily life for the man. For the women there were fewer labour saving devices which might be acquired at any price. Items of a recreational nature, tape recorders, radios, etc. were pleasurable but could contribute nothing to the work of skinning animals, tending the children or preparing the meals, drawing water and keeping the fires going. True, in a few cases there was the purchase of a washing machine, though they are still the exception. On reviewing the question with some women, they said that the only

real labour saving item which the new income made possible was that of disposable diapers. Pampers indeed are ubiquitous today, and a review of the cost of this item reveals that is not an inexpensive one. To raise a baby in Pampers for 18 months at the price charged in the village represents a cost of about $2,000. That level of disposable income was simply not around before the introduction of the programme.

So the work of the woman has changed but little - perhaps a laconic comment for many societies - in the bush environment. In the long term we think that this will have an effect on the viability of the programme, for the contribution of women to life in the bush is critical to the maintenance of the family-centred hunting unit. With the developing of new housing in the villages, comfortable modern houses with all the conveniences of running water and electricity, the women now have a real measure of comparison of their work loads. This will be an area to monitor, for if the women do not accompany the men to the bush, one of the results will be a dramatic lowering of the income available from this programme, given that man-days for the spouse make up such an important part of the total. The only evidence of a lack of willingness of women to go to the bush would be in the fact that , as a whole, the age structure of the beneficiaries tends to be getting older. However, we feel that the figures we have studied are somewhat incomplete, and a period of five years may be too short a time to measure such a phenomenom.

One of the areas in which designers of income security programmes have discussed in great detail is the question of whether such a programme has a negative effect on occasional attachments to the wage labour market. The Cree ISP would not be the one to study for clear insights into this problem because the man-day requirement implicit in the benefit structure would tend to militate against people selecting between wage labour and benefitting from the programme. There is both the matter of the eligibility criteria in the number of days needed to remain on the programme in the subsequent year and the question of evaluating the income of wage labour and programme benefits. Notwithstanding this, there seems to be no avoidance of available summer work, a matter which the data for outside employment makes quite explicit (Table 13). However, in the hunting season there is no incentive to take wage labour. In some communities, we were told that it was hard to get men to work on projects after the month of September. This has placed some constraints on certain community projects which may have run behind the summer schedule. In large-scale projects where there was employment guaranteed throughout the winter (the Fort George relocation, for example), there was no hesitation in people retiring from the programme during the work period, when there was the assurance that they could retain eligibility for the progamme following the completion of the community project. Given the lack of employment in the Cree villages on other than these major community improvement projects, the question of being drawn away from an occasional wage labour market is an academic one.

Finally there is a range of largely unmeasurable phenomena which may well have been affected by the introduction of the programme. To what extent has the programme affected social problems like drinking, profligate spreeing, undernourished children, general health, or the general psychological well-being of the population? With so many changes taking place in the Cree villages in the period the programme was in operation, it is folly to attempt to assign credit or blame for changes to the ISP. For example, longer periods in the bush tend to reduce drinking problems, an observable fact, yet one must take into account the rapid spread of the Pentecostal church in the villages which tends to produce the same effect. The nurses report that there are fewer - though they cannot measure the number - undernourished children, or children with bouts of flus and fevers appearing in their stations, a fact they relate to the environment in the bush with plentiful good food, and which tends to isolate children from communicable disease. Yet at the same time, the use of junk food and candies is rotting the teeth of the children and developing food habits which are counterproductive to their proper development. This is only possible because of the availability of so much cash which the parents and grandparents lavish upon their children.

So, such phenomena are really impossible to measure. Yet our view, based on repeated visits to these villages over the years would be that a healthy subsistence economy has reduced a range of social problems which would otherwise have demanded more intensive levels of health and social worker services. This is a hidden

saving for government, and we think, a substantial one. On the level of welfare, we refer back to Tables 7 and 8 to demonstrate that the programme has reduced the load to about one-third that of the pre-programme period. Discussions with case officers in the region indicate that today's welfare load is mainly single mothers, or people with problems of disability or health. Without the programme, there is some certainty that about two-thirds of the married people now on the programme would swell the welfare rolls. With welfare benefits for a two-child family running at about $7,200 a year, that would represent, conservatively a total of $3 million.

One would have to conclude that the programme has had some very positive benefits. For the Cree it certainly is fulfilling one of the principal goals for which it was established - the rationalization of subsidizing the subsistence sector of the local economy. This is not to say that there have not been some complaints about its adequacy, questions which will be raised in the final section of this report when the design of the programme is discussed. For the hunters, the concrete recognition of their contribution to community life through a programme, permanent and predictable, which permits them to go about their lives without untoward fear of an uncertain future, must surely be the real measure of performance. If one of the measures of success of social programmes could be the happiness and satisfaction of its beneficiaries, perhaps we might look for the most dramatic impact in this unmeasurable region.

The Design of the Income Security Programme

The Cree Hunters and Trappers Income Security Programme is part of a settlement of an important land claim. It is strictly analogous to the medicine chests and the missionary schools which formed part of the treaties of years gone by. It is an attempt to offer a quid for a quo, and if the quid were something which was normally offered to every Canadian citizen, it would indeed be a poor exchange for a quo. So the ISP cannot simply be compared with conventional income support schemes to determine whether it is as good as, or different from them. To be a proper quid it must offer something better, something extra in the sense only that it satisfies the people who exchanged their aboriginal rights for such a programme.

One must not forget that for the white populations in the 19th century, neither medicine chests nor missionary schools were free goods. And it must not be forgotten that providing such services to an Indian population at the time was a matter which generated not a little envy. Whether that envy was based on a misunderstanding of the justice involved is unimportant in this discussion; we wish only to draw the anology with former treaties to speculate that perhaps in order to have an adequate quid for a quo it is necessary that the white society feel some pangs of envy, some feeling of scandal that too much has been given away.

So, in the beginning, we would stress that any simple criticism

of the ISP, any discomfiture with it, on the grounds that it is overly generous in comparison with similar programmes, is not really germane in that it misses the point of why this programme exists at all. Happily, we can report that many people in the region surrounding the Cree area, and indeed many officials who have worked for government, church or business in the region, express their "scandal" at the sight of the newly prosperous hunters with comments like: "The Indians are getting spoiled!!" or, "The Indians just get paid to lie around in the bush; they don't have to hunt anymore". Such clucked comments are perhaps the best indication that there has been a measure of justice in the exchange of quid and quo. As for the Cree themselves, there is a general level of satisfaction with the way the programme has operated over the first five years.

Notwithstanding this sense of contentment with the programme in general, some of the Cree beneficiaries have raised some criticisms of certain features which have presented some difficulties in the first years of operation. Here we are not speaking of administrative difficulties encountered by beneficiaries which have been, or are being corrected as the normal function of management. We will comment on those issues raised by the Cree, and those which came to our attention in the detailed study of the operation, issues which relate to the design of the programme. These observations on what we think are design weakness in the Cree progamme are not offered in the sense that we think its designers to have been careless or to have lacked perspicacity. Our comments are based on a view of a programme which has been in operation for five years;

the designers were treading terra incognita. Nor are our comments on design extensive; we think it useful to simply flag certain areas which might be studied with a good deal of care, were one to approach the design of a similar programme for another group of subsistence hunters.

Our initial comment must focus on what we think to be a fundamental weakness in the design of the Cree programme - the Byzantine complexity of its benefit structure. Few, if any of the beneficiaries have any concrete understanding of the process by which calculations are made. For most, the amount of the cheque when it comes has the surprise factor one normally associates with the bequests of eccentric philanthropists. And, to be sure, there are some unhappy surprises.

The complexity arises from the fact that at least five variables are to be considered in calculating a benefit:

- family size
- fur income (net)
- other income
- days in bush for both spouses
- adjustments in previous payments

We shall not repeat the explanation of the steps through which one goes in making the calculation; that was presented in the third section of this report. We only comment that about thirteen sequential arithmetic functions must be performed to arrive at the right answer - and that does not include those involved in adjusting

overpayments or underpayments on previous cheques. Since each family has a different combination of size, man-days, fur income and outside income, essentially each cheque is different, so there is no simple way of comparing results with one's neighbour to determine whether one was fairly treated.

Much of the complexity, we think, stems from the attempt to include two types of social assistance programme within the same structure. The per diem payment for the man-days in the bush is a sort of wage supplement; in all the calculations, it is treated as an income like fur revenue or a salary. The guaranteed amount under the Cree scheme is analogous to the normal NIT described earlier in this paper. With the amounts from both these features included in the same cheque, it is difficult to determine what amount comes from which source. As Cree hunters see it frequently, they think they should get the total of their per diem, plus the total Guaranteed Amount for their particular sized family.

With the payments under the Cree programme being given in advance, they are based on the estimates of the beneficiaries. Naturally people tend to be optimistic, and there are frequent adjustments to be made for overpayments. People would rarely have the detailed records to undertake the calculations for adjustments and to be quite unaware of how this would affect the following cheque. This merely adds to the surprise factor of the benefit cheque.

We think that a good deal of the mystery surrounding the present benefit structure might be lifted if there were two separate cheques provided for each feature of the programme. Then, at least the per diem cheque, which as we noted in our review of the statistics makes up about 80% of the total ISP benefit, would be straightforward. Any system which did not pay in advance would, of course, be spared the clerical complications implicit in the double calculations necessary for correcting optimistic and occasionally pessimistic estimates. As noted in the previous section, our view is that it really does not obviate the need for credit and objectively does not eradicate debt. Building advance payments into this type of programme is tantamount to assuming the role of a banking institution.

This programme could be further simplified by using some other system rather than "man-days spent in the bush" to reward subsistence hunters. The notion of using an industrial system - little removed from an hourly wage - to calculate time spent on what is a seasonal endeavour, strikes us as quixotic. While one is led to the conclusion that the programme is designed to provide per diem payments for twelve months of the year, yet the man-day limit per person is set at the seemingly odd number of 240; but 240 days is the number of working days in the year of a civil servant - 52 five day weeks less three weeks of holidays and five statutory holidays. Of course hunters do not work five day weeks and they claim the per diem for holidays, Saturdays and Sundays, so the maximum is reached in as little as eight months.

Clearly hunters are involved in their activities by the season, or, minimally, by the month. It seems to us that the problems implicit in monitoring the days of each individual, where the word of the hunter has to be taken in any lack of proof to the contrary, these monitoring difficulties could be reduced substantially by using man-months, or simply seasons. We wish to return to this same point but for the moment we would only conclude that the use of seasonal or man-month calculations of hunting time would simplify among other things, the process of estimating.

So far, we have discussed issues which relate to reducing the complexity of an income security programme for hunters. There are also some design features in the Cree programme which lead to inequities in the treatment of beneficiaries.

The first involves the separate calculation of the time spent in the bush for both spouses. This design feature was meant to reward the contribution of the Cree women to the bush life. It was also, we think, directed at encouraging those women who no longer accompanied their husbands to the bush to take up the old pattern once more. For whatever reason it was done, in the majority of cases it works well and the gesture is, we think, appreciated by the women. It does, however, create difficulties in those cases where the spouse cannot accompany the head of the unit, or in the case of widows or widowers.

Given that the total per diem is based on the man-days of both

adults in the family beneficiary unit, the absence of one party can substantially reduce the amount received. If the wife, let us say, has a problematic pregnancy and requires monitoring or imminent hospital care, or if there is a sick child who cannot be taken to the bush and whom the wife must stay behind to attend to, then the per diem payment drops to one half that which is normal. For the family that represents a 40% reduction in the total ISP benefit. The situation is similar for the widowed people.

On balance, it would seem that the potential benefits of stimulating the participation of both spouses in bush life by rewarding them separately to recognize the contribution of both to the subsistence economy, are outweighed by the problems created. Our view would be that a single but larger payment for bush activity be provided for the head of the hunting group.

We have noted that the major expenditure of a subsistence hunter would be that of transportation to and from the bush. Since the distance to hunting territories varies widely, so does the cost of transport. Between communities there are also differences in the rate per mile for air charter. If one were to compare the transportation costs of a hunter in Waswanipi whose territory is twenty miles from the village, and accessible by truck, with that of a hunter from Great Whale River who must fly 75 miles to his territory, we would find that the Waswanipi hunter would have had transportation costs of a few hundred dollars compared with a few thousand dollars for his counterpart in Great Whale River. Moreover,

both gasoline and capital equipment, as well as basic foods, would be much cheaper in the south. Obviously the Waswanipi hunter is left with much more disposable income after these basic and indispensable expenses are met.

We think that the extremes we have set out in the previous paragraph are not uncommon in the Cree region, and we think that they would be the normal situation throughout the Canadian sub-arctic. Obviously any programme design must take the reality of the region in which it will operate into account. Our view is that inequities such as those in the Cree region might have to be resolved, at least in part, with special transportation programmes. An approach would have to be found which would make the exploitation of distant territories as equitable as the near ones. If the cost differential is substantial, there will always be the tendency for the hunters to minimize expenditures and over-exploit nearer territories.

Earlier in this report we noted that the benefits under the ISP were falling behind the cost of living in that the price of hunting equipment is rising at a higher rate than the index used by the programme. Of course the Cree programme has provision for a special northern index, and with its use (when it is devised), this situation may correct itself. However, our view is that the basic rate structure was developed without a careful consideration of the actual costs of following the life of a subsistence hunter. Certainly there were no extensive studies on what it cost to go to

the bush at that time, and no detailed work since. The very roundness of the basic amounts in the first year suggests numbers pulled out of a hat - $1,000 for consorts, $10.00 per diem - and our impression would be that they were too low for 1975, at least for hunters with significant transportation costs. If we are correct, the situation can only have worsened since then. What it underscores is that basic to any design for an income support programme would be a careful analysis of need.

The final issue in the consideration of design which we would like to comment on relates to how eligibility is defined. The Cree programme uses what we would call a mechanical approach to the question; man-days are counted and the prior year's income reviewed. On the basis of that information a clerk or a director can make simple discrete choices on whether a candidate fits or doesn't fit the criteria. We think that there is another approach to the question of eligibility, one which would leave the decision in the hands of the local people.

There is much discussion in the Indian milieu about the value of Councils of Elders. It seems to us that such a group would be in the best position to determine who is and who is not a subsistence hunter. Moreover, if one did not need to have an individual count of the days the hunter was engaged in subsistence activities, and if one could accept the adequacy of seasonal information, such a Council could both judge on eligibility and classify people by the seasons they were active. In smaller communities especially, such a

system would leave an aspect of control to the local people who have traditionally been involved in such decision making. Where such a group would be most useful would be in defining the marginal cases which mechanical formulae drop inconveniently, and sometimes unjustly, in or out of the programme.

While we have not touched such design issues as the reduction (tax offset) rates, provisions for sickness or the potential of self reporting - matters which are too technical for this short overview - we should like to conclude with the observation that perhaps there is room to consider more than one type of income security programme for subsistence hunters within the same community in northern regions. It seems to us that there are two distinct groups who are serious hunters in many villages. There is the full time hunter who has practically no income other than from his endeavours on the land. There are others who have regular attachments to the wage labour market and who engage in substantial subsistence hunting in their dead season. It seems to us that the needs of each are quite different and cannot be accommodated conveniently - or perhaps justly - under the same programme. The full time hunter needs a large cash return from such a programme, while the hunter-wage labourer needs a smaller amount to top up the income from seasonal work. At the same time the reduction rate needed in each case is different. The wage labourer-hunter, in order to encourage his maximum involvement in wage labour, must be allowed to keep the maximum of his wages, which can be accomplished through a low tax offset rate. The situation of the full time hunter is the opposite

for he will have adequate income from his Guaranteed Amount even with a high tax offset rate. Both would benefit from the advantages of the subsistence harvest and a lot of invidious comparisons would be avoided. Should the "along the road" and "close to the village" hunting situation develop significantly in the Cree region, such an approach might have some merit.

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